

**The Impact of Resources on International Entrepreneurship: An  
Exploratory Study**

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Date

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## Abstract

We study how resources affect the entrepreneurial process in an international business context. Due to the transformation of many start-ups into multinational enterprises, it is important to understand how such internationalisation transpires. Accordingly, our study focuses on the impact of resources on entrepreneurs' ability to identify, appraise and take advantage of opportunities that lead to internationalisation. This is accomplished by drawing on and synthesising the resource-based view with opportunity-based theory. Furthermore, the under-researched international entrepreneurship literature provides a clear knowledge gap, hence the study is exploratory. Through interviewing eight international entrepreneurs operating in diverse industries, we gain comprehensive insights and experiences vis-à-vis resource impact on internationalisation. Our empirical findings show that resources influence each stage of the international entrepreneurial action process in different ways. An important conclusion is that social capital in the form of networks and partnerships are critical to entrepreneurs pursuing internationalisation. In line with international business and entrepreneurship literature, such third party resources aid in the discovery of opportunities and provision of information. Furthermore, they alleviate resource constraints and provide entrepreneurs with better understanding of foreign markets. Given these findings, we suggest that entrepreneurs and managers pursuing internationalisation should actively increase their networking capabilities and enter apposite global partnerships.

*Keywords: international entrepreneurship, international opportunity, recognition, evaluation, exploitation*

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Examples Provided by JK Essay

## Abbreviations

BG – Born Global

International business – IB

International entrepreneurship – IE

International opportunity – IO

Multinational enterprise – MNE

Opportunity-based theory – OBT

Resource-based view – RBV

Small and medium-sized enterprise – SME

Wholly-owned subsidiary – WOS

Joint venture – JV

Respondent one – R1

Respondent two – R2

Respondent three – R3

Respondent four – R4

Respondent five – R5

Respondent six – R6

Respondent seven – R7

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## 1.0 Introduction

This section presents our study's topic, discusses its importance and evidences the knowledge gap, thus justifying the stated research objectives and questions.

### 1.1 Research Topic

Steve Jobs may be recognised as this era's quintessential international entrepreneur (Dyer et al., 2009). His iterations have enabled Apple to capitalise on countless opportunities; transforming the company from a small, Silicon Valley start-up to the world's highest valued multinational enterprise.<sup>1</sup> With increasing globalisation and international trade, it is of vital importance to understand matters pertaining to how entrepreneurs form multinational ventures. Since entrepreneurs are defined as people who coordinate resources (Casson, 1982; Hébert and Link, 1989), it is therefore expedient to appreciate the impact of such resources on their decisions. Furthermore, this global subject is very pertinent owing to the prominence of SMEs across the world rapidly transforming into MNEs – from Google and Uber to Xiaomi and Jingdong. Our study is therefore valuable as its research outcomes will have practical implications for entrepreneurs and managers concerning discovering, assessing and commercialising IOs. As shown in the next chapter, various resources influence entrepreneurs' activities. Consequently, a better understanding of resource impact on IE is indispensable to cultivating entrepreneurial action leading to SME internationalisation.

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<sup>1</sup> Student Number 200616234, 2015, p.2.

## 1.2 International Entrepreneurship Background

IE involves phenomena associated with discovering, evaluating, and exploiting IOs to produce future goods or services (Shane and Venkataraman, 2000). Unfortunately, although research on IE has grown rapidly (Zahra et al., 2005), the field remains relatively young and has been depicted as exhibiting academic paucity (Jones et al., 2011). Consequently, there is no single agreed characterisation of IE (Coviello and Jones, 2004). In the existing literature it is commonly defined as “the discovery, enactment, evaluation and exploitation of opportunities across national borders to create future goods and services” (McDougall and Oviatt, 2005, p.7). IOs represent the formation of novel international exchange (between consumers or partners), along with the creation of new markets (Ellis, 2011). This notion has grown in importance regarding IE and its root principles (Mainela et al., 2014). For instance, while entrepreneurial elements are captured by the concept of “opportunity”, the national border-crossing (international) aspects must also be incorporated (Mainela et al., 2014). Given that scholars have largely ignored “international” opportunities, this dissertation attempts to narrow the research gap by drawing on and synthesising the RBV in combination with OBT and entrepreneurial action vis-a-vis SME internationalisation.<sup>2</sup>

Many academics have deemed opportunity recognition as the most distinct entrepreneurial behaviour (Gaglio, 1997; Gaglio and Katz, 2001; Kirzner, 1979; Stevenson and Jarillo, 1990). Nonetheless, while its significance is well-known (Eckhardt and Shane, 2003; Ozgen and Baron, 2007; Schumpeter, 1934; Shane, 2000), more research is needed since the identification of opportunities remains under-explored (Dimitratos and Jones, 2005; Styles and Seymour, 2006; Young et al., 2003). Likewise,

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<sup>2</sup> Student Number 200616234, 2015, p.2.

although opportunity evaluation is a precondition for entrepreneurial action, there is little empirical research on how international entrepreneurs assess IOs and when this will lead to trade (Autio et al., 2013). Having acknowledged an opportunity, the entrepreneur commences viability screening and must decide whether to exploit it (McMullen and Shepherd, 2006). While early entrepreneurship literature characterised entrepreneurs as those who are alert to opportunities (Kirzner, 1973), opportunities are irrelevant if untapped (Alrich and Zimmer, 1986). Thus, IOs are only meaningful providing they lead to international exchange (Ellis, 2011). Notwithstanding its prominence in entrepreneurial action, theoretical and empirical development concerning IO exploitation remains limited (Choi and Shepherd, 2004), yet there are many important activities that provide entrepreneurs with resources needed for it. These include research into prospective consumer demand (Chrisman and McMullan, 2000), supplementary testing of technologies (Manning et al., 1989), developing a management team and building stakeholder support (from government to private investors) (Rice, 2002).

### **1.3 Research Objectives and Questions**

Through following a conceptual framework that combines the RBV with OBT, we investigate the under-researched IE paradigm and obtain insights into the effect that resources have on entrepreneurs' ability to recognise, evaluate and exploit IOs. Hence, our study is centred on the following three research questions:

1. *How do the resources that entrepreneurs possess affect their recognition of IOs?*
2. *How do the resources that entrepreneurs possess affect their evaluation of IOs?*
3. *How do the resources that entrepreneurs possess affect their exploitation of IOs?*

Interviews were used to ascertain answers to these questions whilst auxiliary, germane insights exposed themselves through the respondents' diverse circumstances and experience. Fundamentally, this study contributes to the IB and IE field through practical implications vis-à-vis more effective entrepreneurial action and succeeding SME internationalisation.

#### **1.4 Key Findings**

We find that personal, organisational and social capital are all conducive to IO recognition, evaluation and exploitation. External and internal resources from dependable partner firms to advanced educational backgrounds have positive impacts on such entrepreneurial action. Therefore, we instruct international entrepreneurs and managers to pursue suitable global partnerships and augmented cultural intelligence to achieve fruitful internationalisation.

### **2.0 Literature Review**

This section critically reviews the IE literature, specifically relating to the RBV and OBT.

#### **2.1 Conceptual Framework**

The RBV holds resources as central to superior firm performance. Providing a company retains resources that are valuable, rare, inimitable and non-substitutable (VRIN), this enables it to acquire and maintain competitive advantage (Penrose, 1959; Wernerfelt, 1984). Such resources include (intangible) human capital – ranging from prior knowledge to international experience – and tangible reserves such as financial capital

and production facilities (Cooper et al., 1994; Greene and Brown, 1997). These assets are accumulated during entrepreneurial careers (Katz, 1994; Teece et al., 1997). The entrepreneurial action literature and OBT assert that before ventures are formed, entrepreneurs must initially believe that “there exists an opportunity for someone (third-person opportunity belief) and then determine that the opportunity is one they want to pursue (first-person opportunity belief)” (Patzelt and Shepherd, 2011, p.631). In other words, OBT positions entrepreneurship as opportunity seeking, recognition and exploitation via new resource recombination (Schumpeter, 1975). Yet such literature mainly provides a general framework on the entrepreneurial process and overlooks IOs. Again, internationalisation does not have a single agreed definition but can be inferred as the increasing immersion of enterprises in international markets (Daniels et al., 2011; Susman, 2007).<sup>3</sup> Conventional paradigms of internationalisation postulate expansion models that are incremental and impeded by uncertainty (Johanson and Vahlne, 2006) but, from an IE standpoint, firm internationalisation is fast and opportunity-focused (Zahra et al., 2005). Due to their lesser resource endowments, small businesses will likely internationalise by means of exporting (externalisation) as opposed to hierarchical modes such as establishing WOSs (internalisation) (Hollensen, 2011). Exploring and exploiting opportunities across national borders for value creation is crucial to such firms in overcoming resource constraints; hence RBV together with OBT can help scrutinise their internationalisation approaches.<sup>4</sup>

Firms operating in the same industry still perform differently as they may be dissimilar in terms of resources (Barney, 1986). Competitive advantages can be generated providing companies possess a valuable new product with substantial customer demand and have

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<sup>3</sup> Student Number 200616234, 2015, pp.2-3.

<sup>4</sup> Student Number 200616234, 2015, p.3.

the resources needed for exploitation like stakeholder support, enabling technologies or a capable management team (Choi and Shepherd, 2004). Yet this advantage will only be sustainable providing the product is inimitable (Barney, 1991). Such inimitableness extends a pioneer's lead time, enabling it to exploit first-mover advantages through expanding its product line (Robinson and Fornell, 1985), realising cost advantages through experience effects (Abell and Hammond, 1979) and consolidating its brand name (Schmalensee, 1982); thereby establishing an exclusive market position (Huff and Robinson, 1994). Furthermore, in line with RBV literature, superior resource bases are linked to higher growth (Bradley et al., 2011b). However, Penrose's (1959) growth theory proposes that limited resources may lead to greater expansion – and thus potential internationalisation – since this encourages the utilisation of idle resources, along with an entrepreneurial recombination of such resources. Subsequently, entrepreneurs should not be dissuaded by resource-slack when pursuing opportunities (Jarillo, 1989). This specifically applies to international entrepreneurs who may be deterred by the perceived mismatch of their resources with large international markets. Resembling Penrose's (1959) view on firm expansion in addition to McDougall and Oviatt's (2005) categorisation of IE, internationalisation prospects are therefore constrained by entrepreneurs' identification of opportunities, disposition to tackle them and ability to capitalise on them through the use of their own resources. Irrefutably, it must be noted that perception is fundamental to IE (Ardichvili et al., 2003) as the entrepreneurs' judgements are involved continually. Accordingly, the conceptual framework below will be followed – whereby resources moderate the value creation process:<sup>5</sup>

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<sup>5</sup> Student Number 200616234, 2015, pp.3-4.

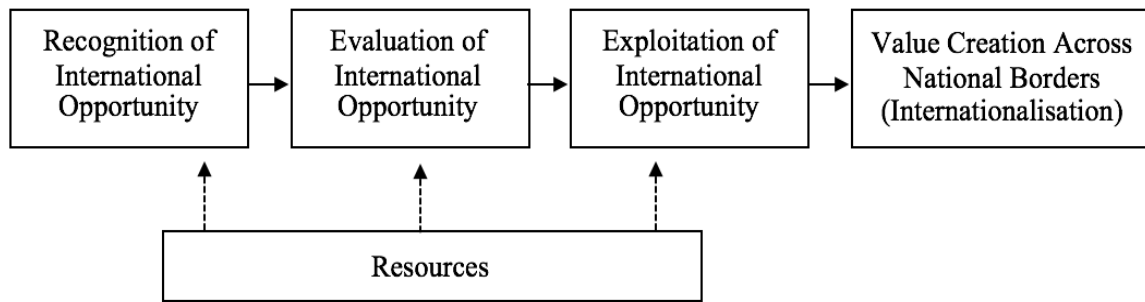


Figure 1. IE Value Creation Process

*Adapted from: McMullen and Shepherd's (2006) Model of Entrepreneurial Action and Shepherd and Patzelt's (2013) Operational Entrepreneurship Research Model*

## 2.2 International Opportunity Recognition

The first phase of OBT denotes when entrepreneurs believe that there may exist demand from others concerning a specific (third-person) opportunity.<sup>6</sup> If firms are to survive and prosper in a competitive global market, they must incessantly recognise new opportunities beyond current capabilities (Hamel and Prahalad, 1989; McGrath et al., 1996). Auxiliary RBV research embraces opportunity identification as a resource that, via exploitation, may lead to competitive advantage (Alvarez and Busenitz, 2001). De Koning and Muzyka (1999) state that this construct comprises of the following progressions: identifying market needs or redundant resources, ascertaining a fit among specific market desires and resources, along with constructing a novel fit amid heretofore requirements and resources by means of a commercial idea. Consistent with IE literature (Koller, 1988), the majority of opportunities are discovered as opposed to sought (Ellis, 2011). Ellis's (2011) study on the internationalisation of 665 entrepreneurial exchange ventures found that blind luck was absent in the recognition process – with 87% of opportunities being discovered by international entrepreneurs. Moreover, resources such as prior knowledge,

<sup>6</sup> Student Number 200616234, 2015, p.4.



product differentiation (organisational capital), international network size (social capital) and international experience are conducive to the awareness of opportunities and subsequent internationalisation of small firms (Baum et al., 2015).<sup>7</sup> Prior knowledge of customer problems (Shepherd and DeTienne, 2005) or a specific industry (McKelvie and Wicklund, 2004) leads to the identification of more, innovative opportunities. Similarly, preceding general knowledge attained via education enables the amalgamation of new insights, generating superior opportunity sets for individuals (Gimeno et al., 1997). Davidsson and Honig (2003), for instance, found a positive correlation between years of education and the ability to identify opportunities.

Shane and Venkataraman (2000) pose the question: how and why do some individuals (and not others) identify opportunities? The general response being that recognition is influenced by entrepreneurs' involvement in social and business networks (Johanson and Mattsson, 1988; Loane and Bell, 2006; Meyer and Skak, 2002). As individuals within social groups are inclined to share information, awareness of new opportunities is typically distributed via links connecting people of separate groups (Burt, 1992). Subsequently, IO recognition is an idiosyncratic process, moulded by individuals' distinctive exposure to information corridors (Venkataraman, 1997) and channels provided by third parties (Burt, 1992). For example, networks contribute to the success of BGs (organisations that, from their outset, globalise quickly without any previous long-term domestic or internationalisation period) through recognising and building knowledge of new international markets (Coviello and Munro, 1997; Chetty and Holm, 2000). Valuable information can therefore be attained; however access to it is selective (Brass et al., 2004). As knowledge of opportunities disseminates erratically through society (and even more so across national borders) those amid the first to identify them

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<sup>7</sup> Student Number 200616234, 2015, p.4.

benefit most – a process which is governed by one’s prevailing ties with others (Shane, 2003). Correspondingly, ‘alertness’ – “a unique preparedness to recognise opportunities when they exist” (Kaish and Gilad, 1991, p.48) – impacts opportunity recognition. This is influenced by intellectual aptitudes such as creativity and astuteness (Krueger, 2003) and assists in the recognition of new solutions to market needs (Baron and Ensley, 2006).

### **2.3 International Opportunity Evaluation**

The second phase of OBT represents how entrepreneurs perceive whether (third-person) opportunities are a good fit for themselves. Individuals may casually scrutinise recognised market needs or resources against their own reserves before deciding whether to drop or conduct a formal pursuit of such opportunities (Ardichvili et al., 2003).<sup>8</sup> If such appraisal proposes a robust composite of desirability and feasibility, value-creation will be triggered (Fitzsimmons and Douglas, 2011; Gollwitzer, 1996; Steel and König, 2006). Keh et al. (2002) found that opportunity evaluation is impacted by entrepreneurs’ illusion of control and belief in the law of small numbers – with risk perception mediating the process. Systematic research on behalf of the international entrepreneur is thus advised so as to improve such evaluation (Keh et al., 2002).<sup>9</sup> This aligns with international marketing literature wherein superior value-creating activities result from formal market research and the methodical assessment of opportunities vis-à-vis predetermined benchmarks (Douglas and Craig, 1983; Root, 1994; Young et al., 1989). Conversely, this research process may be irrelevant to BGs as they lack procedures of gathering and construing data associated with foreign markets and clients (Sharma and Blomstermo, 2003). Alderson (1965) states that for organisations to act upon opportunities, they must

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<sup>8</sup> Student Number 200616234, 2015, p.4.

<sup>9</sup> Student Number 200616234, 2015, p.4.

match the unearthing of technological opportunities with the discovery and evaluation of unrealised customer needs. Likewise, during economic downturns, less bureaucracy and shorter evaluation cycles give entrepreneurial firms the autonomy to redirect resources toward novel opportunities and further adaptive activities (Bradley et al., 2011a).

Through conducting a study on 73 entrepreneurs and 2300 opportunity evaluation decisions, Haynie et al. (2009) displayed that entrepreneurs' appraisal on the value of prospects – as a function of their know-how and aptitudes – is dependent on the age of their business. Since younger firms are generally limited in terms of resources (Stinchcombe and March, 1965) this influences opportunity evaluation and encourages better entrepreneurial utilisation of reserves (Penrose, 1959). Subsequently, this relates to the expertise and resources enjoyed by entrepreneurs (Baum et al., 2015), especially if they have operated an international venture for a prolonged period. For instance, internationally experienced individuals may possess a greater awareness of the global market in which they operate, resulting in effective opportunity evaluation. Hence, this translates into higher chances of greater value creation and procuring sustainable competitive advantages.<sup>10</sup> Comparable to IO recognition, an entrepreneur's level of education may shape subsequent evaluation (Autio et al., 2013) – as can one's level of industry know-how – when gauging a learning environment's hostility (Lévesque et al., 2009). For instance, this is imperative for reducing uncertainty before an entrepreneur releases a new product into the market. Unlike for established goods and services, companies that launch products while still uncertain over their value face greater likelihoods of failure, along with considerable demand uncertainty (Knight, 1921; Olson et al., 1995). Consumer demand for novel products partly depends on whether customers are aware of them and perceive them as valuable (Aldrich and Fiol, 1994). Insufficient

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<sup>10</sup> Student Number 200616234, 2015, p.4.

knowledge surrounding market offerings, in turn, increases customer uncertainty surrounding purchase decisions (Choi and Shepherd, 2004); hence decreasing the uncertainty embedded in the new product before its international introduction – through iterative evaluation – is indispensable (Urban and Hauser, 1980).

## **2.4 International Opportunity Exploitation**

The third phase of OBT corresponds to how entrepreneurs pursue opportunities (entrepreneurial action). Essentially, this refers to forming proficient, complete processes for products or services produced by, or developed from, a business opportunity (Choi et al., 2008). Block and MacMillan (1985) state that this is an obligatory step to create revenue streams and thus build a prosperous business. RBV theorists recognise that assimilated, novel resources need to be pooled with the firm's prevailing reserves for such new resources to be utilised in a fruitful manner (Penrose, 1959). However, sustainable wealth generation can only occur on condition that entrepreneurs manage resources tactically (Ireland et al., 2003). Meyer and Utterback (1995) propose that suspending exploitation and gathering further information allows for efficient exploitation via an enhanced understanding of the market, lowered production costs and product improvement. Conversely, by hurrying exploitation, entrepreneurs could achieve first-mover recompenses (Lieberman and Montgomery, 1988).<sup>11</sup> Lévesque et al. (2009) conclude that suspending entry is appropriate when a market is less hostile. For BGs, the entrepreneur must cultivate networking proficiencies that facilitate IO exploitation (Mort and Weerawardena, 2006). Trust between international entrepreneurs and exchange partners is essential in this process as it can lessen the requirement for contractual

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<sup>11</sup> Student Number 200616234, 2015, pp.4-5.

safeguards, permitting faster exploitation (Uzzi, 1996). Communication is thus a precondition for internationalisation and is affected by psychic, cultural, geographic and linguistic distance to foreign markets (Ghemawat, 2001; Hutchinson, 2005). Given the higher costs of transportation and market adaptation, there is a negative correlation between international trade and distance to market (Ellis, 2007; Leamer, 1974).

Some BGs and international entrepreneurs establish robust links with globally active organisations through domestic operations whereby they follow clients and commence internationalisation despite extensive cultural distance (Majkgård and Sharma, 1998). Such partners provide insights on foreign markets, facilitating more effective adaptation on behalf of the entrepreneur; thereby reducing the risk of internationalisation (Slater and Narver, 1995). As BGs lack prior techniques in penetrating markets, they experiment with IOs and are innovative in combining their own capital with third parties' resources via entry modes like partnerships (Sharma and Blomstermo, 2003). These global partnerships somewhat compensate for the resource constraints of such entrepreneurial firms (March, 1991). Initially, companies tend to internationalise by entering countries that are culturally similar to their domestic market (Erramilli and Rao, 1993; Johanson and Wiedersheim-Paul, 1975; Kogut and Singh, 1988; Vernon, 1966) and ensure resource commitment is gradual (Johanson and Vahlne, 1977). International entrepreneurs must therefore possess cultural intelligence (Peterson, 2011; Thomas and Inkson, 2009) as national barriers disrupt the learning process in global markets (Barkema et al., 1996; Chang, 1995). Furthermore, a new product's estimated lead time may influence the entrepreneur's IO exploitation decisions; whereby postponing exploitation offers more experimentation time with innovative technologies and thus increased learning, which could diminish technological ambiguities (Folta, 1998; McGrath, 1997). Opportunities with low degrees of novelty (due to better matching entrepreneurial resources and

skillsets) enable faster exploitation in contrast to opportunities with high levels of uncertainty (owing to a mismatch of resources) (Choi et al., 2008).<sup>12</sup> Newness can intensify entrepreneurs' doubt over a product, placing higher strain on the resources needed for prosperous exploitation (Sapienza and Gupta, 1994). Ultimately, international (versus domestic) opportunities will contain higher degrees of novelty due to greater uncertainty. Global entrepreneurs must therefore gauge whether complementary international resources are available, if they can be used strategically and how best to time such internationalisation.<sup>13</sup>

## 2.5 Summary

Understanding how entrepreneurs' actions impact the internationalisation of SMEs and develop them into successful multinationals is important to IE research. However, the ability of global entrepreneurs to recognise, evaluate and exploit IOs has received a lack of attention in the field. Resources (including human, social, organisational and physical capital) are proven to have a significant moderating effect on opportunity-based entrepreneurial action. Hence, this dissertation appraises RBV in conjunction with OBT – along with following a conceptual framework that synthesises these theories – to enhance our understanding of entrepreneurial small firm internationalisation. Those assets with VRIN attributes are desired in order to facilitate sustainable competitive advantages. However, as previously mentioned, resources alone cannot realise such benefits (Chandler and Hanks, 1994; Ucbasaran et al., 2001). For prosperous value creation to take place across national borders, international entrepreneurs must be

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<sup>12</sup> Student Number 200616234, 2015, p.5.

<sup>13</sup> Student Number 200616234, 2015, p.5.

systematically efficacious in identifying, appraising and manipulating global opportunities in harmony with effective use of past, present and future resources.<sup>14</sup>

### **3.0 Methodology**

This section describes the research approach taken, justified in the context of the literature review. Accordingly, a robust defence of our study's validity and practicality is provided.

#### **3.1 Data Collection**

Given the limited nature of work on IE, this study is exploratory and thus adopts a qualitative interview methodology. Since we focus on inadequately researched phenomena pertaining to (entrepreneurs') experience and behaviour, these are apposite preconditions for qualitative research (Ghauri and Grønhaug, 2005). With less than 25% of studies employing qualitative techniques, the IE literature is dominated by quantitative approaches (surveys in particular); comparable to SME internationalisation research (Coviello and Jones, 2004). However, many academics – including Doz (2011) – state that qualitative work is indispensable to the IB field. Using quantitative questionnaires or similar approaches would restrict the investigation to the scholar's disposition and limit imperative, unanticipated responses. While quantitative techniques offer controlled measurement and scope, qualitative approaches provide the 'why' aspect – elucidations and depth of understanding (Cook and Reichardt, 1979). Correspondingly, as opposed to other qualitative approaches like focus groups, interviews were chosen due to their greater efficacy in mining such rich insights (Creswell, 2013). An interpretative, qualitative

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<sup>14</sup> Student Number 200616234, 2015, p.5.

interview method therefore provides a more accurate understanding of the sample participants' viewpoints (Miles and Huberman, 1994; Roulston, 2010).

In-depth, semi-structured interviews were conducted to gain a more profound understanding [of IO recognition, evaluation and exploitation] from the perspective of those experiencing it (Shah and Corley, 2006). The interview guide (see *Appendix 1*) was given to each respondent in advance so they could familiarise themselves with the material, facilitating more meaningful discussions. Moreover, the interview structure addressed the research questions whilst allowing further themes and ideas to emerge. Some interviewees' responses also made later questions redundant. Concerning researcher bias (Kvale, 2008), the semi-structured interviews nurtured inconsistencies. However, had structured or unstructured interviews been used, relevant enquiries may not have been explored or supplementary central notions not captured, respectively (Drever, 1995). Accordingly, questions developed centred on the participants' distinctive responses. The interviews were performed over Skype due to geographical constraints. Although this occasionally presented connectivity problems and restricted the ability to identify cues, it made the participants feel more comfortable while speaking in their own environment (Kalinic and Forza, 2012). The interviews lasted on average 45 minutes, were conducted in English, tape-recorded and verbatim transcribed. See *Appendix 2* and *Appendix 3* for R7's and R8's (the respondents with arguably the least and most internationalised businesses, respectively) interview transcripts.

### **3.2 Sample**

The study interviewed eight entrepreneurs, determined by their businesses having value-creating activities outside of their domestic market. Such internationalisation ranged



from international sales to established operations abroad – including partnerships and WOSs. This enabled the collection of rich data which tapped into the phenomena being investigated. Consistent with grounded theory (Glaser and Strauss, 1967), the respondents were non-randomly selected. Furthermore, in line with much qualitative research (Patton, 2002), a purposeful strategy (Lincoln and Guba, 1985) was used to compile the sample to gain access to entrepreneurs with internationalised ventures. For instance, four participants were contacted through the Leeds Network platform (<https://leedsforlife.leeds.ac.uk/LeedsNetwork>) using career-related searches. Moreover, another respondent was approached during “Global Entrepreneurship Week” at the University of Leeds, while the remaining three participants were selected through a Professor of Enterprise providing introductions. 75% of the sample were Leeds University Alumni – being scholars of the same institution was instrumental in establishing rapport and instilling trust between the interviewer and respondents.

Given the different industries that the interviewees operated in (see *Table 2*), they would most likely “view the focal phenomena from diverse perspectives” (Eisenhardt and Graebner, 2007, p.28). Thus, biases by the interviewees’ impressions and memories were minimised and validity of the information was able to be checked (Ghauri, 2004). Via comprehensive ethical practices, respondents’ anonymity was ensured and they were able to withdraw from participating at any time. Such safeguards ensure honest and open responses (Collis and Hussey, 2013). According to Guest et al. (2006) “guidelines for determining nonprobabilistic sample sizes are virtually nonexistent” (p.198). Conversely, owing to this study’s interview length, the optimal sample size was determined as six or seven respondents by the dissertation supervisor. Glaser and Strauss (1967), like many scholars, endorse sampling pertinent cases until saturation transpires (where no novel, speculative understanding is being extracted from the data). Indeed, theoretical saturation

occurred on various levels within the sample. *Table 1* and *Table 2* display the sample information:

**Table 1. Sample Characteristics**

<b>Respondent Number</b>	<b>Age</b>	<b>Gender</b>	<b>Ethnicity</b>	<b>Education</b>
<b>1</b>	54	M	British	BSc
<b>2</b>	36	M	Swedish-African	MSc
<b>3</b>	47	M	British	MBA
<b>4</b>	36	M	Indian	MSc
<b>5</b>	48	M	Canadian	MSc
<b>6</b>	32	F	Brazilian	MBA
<b>7</b>	39	F	Middle Eastern	BSc
<b>8</b>	54	M	Mediterranean	MSc
<b>Averages</b>	43.25	75% M, 25% F		

**Table 2. Sample Characteristics Continued**

<b>Respondent Number</b>	<b>Years as an International Entrepreneur</b>	<b>Industry</b>	<b>Years of Industry Experience</b>	<b>Company Headquarters Location</b>
<b>1</b>	23	Mechanical and Industrial Engineering	30	England
<b>2</b>	7	Digital Innovation and Customer Engagement	10	England
<b>3</b>	8	Pharmaceuticals	21	England
<b>4</b>	6	Digital Marketing and Advertising	12	India
<b>5</b>	7	Leisure, Travel and Tourism	7	Canada
<b>6</b>	2	Professional Training and Coaching	2	Brazil
<b>7</b>	9	Online Retail	9	England

8	21	Airlines and Aviation	21	England
<b>Averages</b>	10.375		14	

### 3.3 Data Analysis

The interviews were transcribed instantaneously thus enabling analysis to ensue alongside further interviews. Consequently, such analysis was a continuing process throughout the data collection and later interviews could explore ideas formed hitherto. Both the approaches of Spiggle (1994) – categorisation, abstraction, comparison and integration – and Miles et al. (2013) – data condensation, data display and conclusion drawing – were followed to analyse the collected data. Owing to its autonomy and subsequent appropriateness for novice qualitative researchers, the interview transcripts were coded by means of the eclectic method (Saldaña, 2015). Moreover, in spite of accessibility to expert software programmes, a manual technique was used as advocated for inexperienced qualitative researchers (Saldaña, 2015). In-vivo, descriptive and structured codes were the most frequent, generating a preliminary list of 290 codes (see *Appendix 4*). These were then exposed to second cycle coding procedures to categorise and crystallise the outcomes (Saldaña, 2015). In line with the focused coding approach (Charmaz, 2006; Saldaña, 2015), categories were developed from the codes (see *Appendix 5*) and underpinned the study's findings. As shown in the next chapter, coding for resources and IOs enabled recognition, evaluation and exploitation actions to appear. Comparisons were made across incidents within the data, leading to the process of theorising over such results' integration with relevant literature.

### 3.4 Validity

Clear justifications have been presented for the research method used, thus reinforcing trustworthiness and validity across our study (Brewer, 2001; Parkhe, 1997). First, it is commonly accepted in the IE literature that opportunities are identified by individuals, not businesses (Singh, 2000); hence data was collected and analysed at the individual-level. Likewise, while IOs are ubiquitous and exogenous, information about them disseminates disproportionately across societal boundaries (Ellis, 2011). It therefore follows that wide-ranging means of identification, evaluation and exploitation are used by entrepreneurs in diverse settings (Ellis, 2011) – and the sample's industry variation helped capture this. Moreover, separate questions were asked concerning IO recognition, evaluation and exploitation since they are documented as distinct milestones in the value-creation process (Mathews and Zander, 2007). As proposed by Saldaña (2015), further corroborations included re-reading unannotated interview transcripts accompanied by reanalysing and re-coding the data in order to offer superior understanding. This certified the codes' internal reliability. Moreover, an attitude of self-scepticism (Kvale, 1989) was adopted for the duration of the study to prevent palpable intuitive anticipations of the researcher being translated into detected themes and ideas. Accordingly, this self-questioning aided in capturing accurate insights (Kvale, 1989) regarding IO recognition, evaluation and exploitation.

## 4.0 Results

This section presents the interview outcomes with regards to the research questions.

### 4.1 Research Question One

Having domestic customers with overseas operations facilitated R1 to discover IOs. This made a large contribution to the succeeding 53 countries in which his firm operates – primarily supplying and installing fire protection systems in mobile machinery. R2's first IO resulted from Goldman Sachs and Santander sponsoring his firm on a trade mission in New York. The key resources were personal connections enabling high-level meetings and thus contracts with prestigious organisations such as The World Trade Centre – for whom R2 provides customer engagement services. Likewise, R3 stated the importance of networking, adding that access to pharmaceutical companies' asset databases, his educational background in medicine and over 20 years of industry experience empowered him to identify the value his core product (a replacement for hospital employees who administer intravenous medications) could deliver. Notably, R3 had the most years of education and founded the highest valued company (worth £160 million on the London Stock Exchange). However, being the oldest participant, he had the biased capability of gaining more experience and education than the remaining interviewees.

Besides networking obsessively, R6 indicated that an entrepreneur must be alert (and open) to IOs: "This storytelling guy [TEDx speaker coach] saw that I was delivering a course in Berlin, he wrote [emailed] me... and the partnership started... it's about being alert, being open to what makes sense to the business". Following this, R7 identified IOs through the online marketplace Amazon informing her about selling retail products across international markets; although her company incidentally exported from its outset.

Having stated that networks were the least important resource concerning IO recognition, her definition of the term “networking” may have been limited to in-person exchange. Similarly, R4’s venture started as an IO since the product – personalised digital marketing solutions – has a very inclusive demand owing to internet accessibility. R4 had prior knowledge of consumer problems from his core business in India which facilitated innovative IO identification: “We ended up creating a solution and, by knowing the problems of specific industries, we said OK how can we actually change and personalise it, improve it along with the customer base”. Correspondingly, analogous resources influenced R8 in the founding of his airline, having recognised that the previous operator did not meet particular segment needs. For example, elderly customers (accounting for 20-25% of the market) were not given resources such as wheelchairs at airports and international hubs were not serviced well; hence market leakage was prevalent. Awareness of such problems thus lead to the recognition of the overall IO. In contrast, R5 discovered his travel discount card venture purely through “happenstance, on vacation in Orlando” (consistent with R6’s view that financial capital to travel is the most important resource inducing IO identification). In fact, all respondents said that luck plays some kind of role during the entrepreneurial process.

Organisational capital was key to the sample’s IO recognition. Resembling R4 above; R2, R3, R5 and R8 were essentially coerced into identifying IOs from the outset of their businesses since digital, pharmaceutical, tourism and aviation all represent worldwide product- and industry-types, respectively. As R3 said: “Diseases are global”. Such BG characteristics also stem from an entrepreneur’s individual motivation and ambition. For example, R2 sought to operate globally at the beginning; hence his organisation creates “timeless products that can’t be limited by borders”. Together with personal capital, R1 detailed the prominence of his firm’s systems: “You’ve got to be diligent, you’ve got to

be methodical... we have an app that our engineers have... if they are on a site and see an opportunity... all they have to do is press two buttons and that whizzes into the sales team". Furthermore, concerning organisational culture, he claimed to have instilled an attitude of constantly searching for new opportunities in his employees. Governmental resources were also used by respondents to identify further opportunities – R1, R7 and R8 sought help from the U.K. Department of Trade and Industry, Department of Trade and Investment and Civil Aviation Authority (CAA), respectively. Equally, networks in the form of "travel trade shows – not for consumers – but for the travel industry professionals" enabled R5 to identify additional IOs. R5 and R1 owned the leading firms within their niche markets; therefore, regardless of how opportunities are recognised, such unremitting IO identification may have led to the firms' competitive advantage.

Possibly the most contemporary finding concerning IO recognition related to R1's and R6's alertness to opportunities being governed by diverse methods of thought. First, R6 claimed her "upside-down thinking" emerged from her personal life experience through working and living in such a way. Since R6 operated in a creative industry and produced a master's thesis on the imaginative subject of upside-down thinking, alertness is clearly moderated by one's originality and intelligence. Second, R1 spoke about viewing different markets and opportunities "sideways". For instance, his firm operates in mining yet, due to changing economic conditions, it is exploring renewable energy – importing millions of tonnes of biomass from Canada: "It's sort of looking a bit sideways and thinking we're in this sector but actually we're not". Such alertness assists in the recognition of new solutions. Resources in the form of valuable information and knowledge clearly moderated all the interviewees' IO recognition and those amid the first to identify IOs benefited significantly. For example, early recognition allowed R3 to patent his product thus making competition irrelevant. This access to information was,



however, shown to be very selective across the sample. R5, for instance, was only allowed to attend specific trade shows as he was a professional in that industry.

#### **4.2 Research Question Two**

Financial resources and risk perception were the key moderators of all the interviewees' IO evaluation. R1 stated that he had recently overlooked a lucrative opportunity in Mali due to high political risk. Again, through the use of governmental resources, he chooses not to exploit IOs in regions considered red or orange (hazardous) zones by the U.K. Foreign and Commonwealth Office. Likewise, R2 disregarded opportunities in Pakistan and Ghana owing to a lack of host country-specific resources including infrastructure. R8 alternatively looked favourably upon a high risk environment, starting flights to the Lebanon as former competitor (and later acquirer) British Airways (BA) were not operating there – due to the loss of an aircraft in the Middle East. Experience setting up the “European operations of a U.S. biotech company” was the domineering factor during R3's IO evaluation, enabling him to appraise the significant amount of value his product could provide to different types of stakeholders. R1, R3 and R8 held the most industry experience (each over 20 years) and subsequently had the highest valued companies across the sample.

Discovering a gap in the market was R4's main desirability feature concerning IO evaluation; while R5's linked back to financial risk. The latter had no dependents at the time and his idea was a moderately “low-tech, low-risk product”. R5 assessed two IOs against his own resources, deciding to pursue his existing venture because it was more within the realm of his capabilities versus a higher risk IO that was beyond his skillsets and financial state. Again, R6 approached IO evaluation in a more abstract way, affirming:

“It was... an upside-down process... I wanted my research to flourish in a broader way than just a master’s thesis; I wanted it to become a business, a movement, a service”. She therefore approached IO evaluation as a recognition process of what she did not want, favouring IOs that enabled her to “channel this newly acquired knowledge” (from the production of her thesis). For R7, the EU single market was the driving force for her internationalisation: “What motivated me was actually seeing that there’s access to 28 other European countries.” Such legislative resources allowing her to expand her market base by over 600%, lowered freight costs and high perceived value in her retail products made the IO very attractive. She pursued this through exportation owing to her small firm size and low international experience.

Once the respondents discovered IOs, they all researched and systematically assessed them in relation to predetermined criteria. R1 stated the need for IOs to fit a “matrix” and cover “three bases” (manufacturers, suppliers and end users). Equally, R3 explained the importance of an asset or IO having to pass through “relative filters” to gauge its potential. Such benchmarks evidently had to be determined by some kind of knowledge base – again in the form of education and industry experience. R3, in fact, stress tested his instinctive thinking through employing models he learnt whilst completing an MBA. Likewise, R2 utilised skillsets developed from his master’s degree, along with industry-specific understanding to ensure IOs were “revenue-generating”. R4 and R7 interestingly pursued educational paths not directly linked to their businesses, offering synergies that improved their IO evaluation. The former gained a master’s in bioinformatics, providing a skills convergence between databases and digital marketing – through more effective writing of algorithms. The latter had studied undergraduate chemistry and previously worked as an analytical chemist, which intrinsically gave her methodical skills suitable for IO evaluation: “It is being highly analytical whether that’s for your product market research

to doing your finances... skillsets that you have to have inherently as a chemist can be transferred over to business”.

Evaluation approaches differed among the sample. Logically, the eldest entrepreneurs with the most experience felt more capable when appraising later IOs. Evaluation processes were also found to change depending on external circumstances. For instance, 70% of R1’s revenue derived from international sales (he won a Queen’s award for Export in 2012) before the global mining industry collapse caused this to drastically change to 70% domestic. Although R1 had not foreseen a commodities crash, he had anticipated an economic downturn; hence internal adjustments within the organisation were made to keep facilitating profitable growth. Another important resource affecting IO evaluation was one’s linguistic skills. R1 and R3 claimed that enterprises from English-speaking countries had a distinct advantage as the international language of business is English. However, R6 opposed this and stated that people from countries such as Finland, Germany and Japan wish to conduct business in their own language with everyone having their “own flavour” of English. Along with the geographic and financial restraint of money to travel, she said language was a predominant barrier when appraising IOs. R7 shared the same thoughts regarding the latter problem, thus she employed translators for different country markets such as Italy and Spain.

Conceivably, the most important resource found to influence IO evaluation was cultural intelligence. When assessing IOs in Brazil and China, R5 said he encountered “literal cultural differences” as no one was aware of his product. Accordingly, educating the potential customer base was his main challenge. R7 noted that the U.S. had a very different culture in terms of online retail; hence her products did not “lend themselves well” there. The high return rate made it unviable for a resource-constrained business such as hers. Conversely, the “international” aspect of opportunities motivated R6 as she

enjoyed bringing her “Brazilian-ness” to foreign partners as well as building synergies through absorbing their cultural differences – which provided “a sense of constant learning”. This also resonated with R8: “I’m always observing how others do business... and particularly how they behave with other nationalities, with other cultures”. Such cultural intelligence enabled R8 to identify sales demand as he knew the Lebanon region very well: “I knew the market is big and I knew that they [Lebanese passengers] would prefer to transit via London because it is easier geographically”. Correspondingly, it helped R7 identify a lack of sales demand in specific countries: “Our cooker hoods would never sell in Italy... the answer is excellent market research, so you’re not offering a product that doesn’t suit that particular market”. Access to factual knowledge – through external or internal resources – was therefore irrefutably key to IO evaluation. For example, R8 concluded that an international entrepreneur needed good judgment to gain “real information” from “real sources” – in his case, not just information published by the CAA, but from BA who he would contact and ask questions.

#### **4.3 Research Question Three**

Internationalisation efforts were fast and opportunity-focused across the sample. For example, R3 contrasted his growth against large pharmaceutical businesses: “A small company that is resource-constrained... would identify the things that are actually critical to achieve and just do those things”. This also applied to R8 who launched his airline company as quickly as possible due to fierce competition. As all the entrepreneurs were previously employed, they initially self-funded their enterprises. R3 and R8 also sought substantial investment in the form of venture capital due to their high input requirements. For instance, R3 raised £32 million to fund the development and commercialisation of secondary care-focused pharmaceuticals; whilst R8 had to purchase aircraft, flying rights

and a training centre for his salespeople and cabin crew. Additionally, with the long-term strategy of being acquired by BA he thus needed high net-worth investors: “So the strategy... was geared towards pushing British Airways to the corner and within two years we’d become an attractive proposition for franchising and one resource I needed which was key to ensuring that BA... would be interested is to show them our investors are very successful international, high net-worth individuals with... unwavering commitment”. He also needed to persuade the British government to designate his company as its national carrier to the Lebanon under the bilateral agreement, which he successfully did through partnering with business angels worth over £500 million each.

Human capital resources proved to be important for effective exploitation. The majority of respondents who had employees claimed that this formed their competitive advantage. Consequently, R3 based part of his business in Southern England near pharmaceutical MNEs in order to access a larger talent pool. R1, R2 and R8 valued their salespeople in particular; hence they invested significantly in the training of such employees. This seems logical as sales teams are essentially responsible for closing deals on prospects. Additionally, host country-specific resources were key – R4 is currently establishing a WOS in the U.K. due to the generally higher skillsets of marketing personnel than in India. R7 reinforced this: “I need someone to coordinate the entire process of taking that product from what we have it as to make it international... it is purely down to people power”. She also expressed the importance of organisational capital such as superior automation software so as to increase her exporting and sales volume through effective back-end handling. R1 agreed with this; hence he continually updates his company’s software, having spent “half a million dollars” on such assets over the past two years.

Across the sample, there was a constant theme of the need for networks and partners, with all the respondents entering partnerships of some kind to exploit IOs. Such partnerships

helped compensate for their initial bootstrapped ventures and lesser knowledge bases. Through partnering with local companies, R1 was able to identify specific tooling required to service each market – in Africa, for example, his company operates Toyota Land Cruiser vehicles as opposed to Volkswagen Transporters in Europe owing to the general lack of infrastructure in the former region. Concerning an IO in India, R2 altered his strategy through entering a JV with a local firm due to intense bureaucracy and formalities vis-à-vis exportation (customs and duties of 40%). Furthermore, since his product in India is physical hardware, he could produce locally for 40% cheaper. R2 indicated that acquiring complimentary third party resources abroad enabled easier exploitation of further IOs: “We have gained... a faster route to market in that part of the world, which makes it more straightforward to launch a product in India or the U.S. We now have the resources in terms of contacts”.

Such foreign partners, in turn, provide cultural intelligence through their superior insights. For instance, R5 emphasised the pursuit of local input where possible: “We never would have identified these cultural differences had we not had channel partners... seek third party help... find partners in those countries who can help you not just penetrate but identify opportunities and challenges”. He initially focused on English-speaking countries, using the U.K. as a beachhead for Europe. It follows that relationship building and trust were essential to all the respondents in order to form successful partnerships. R1 exaggerated the need for international entrepreneurs to build lasting relationships; a long-term view which R8 mirrored in his strategy, tripling his number of aircraft and increasing his number of staff from 65 to 250 within two years, thus receiving a Queen’s Award for Enterprise. Therefore, the act of networking is also vital to IO exploitation to form partnerships in the first place. R4 used online platforms such as LinkedIn, networking forums and trade and investment portals. However, most interviewees stated

that face-to-face interaction with partners was better; hence R4 also chose one month each year where he travelled abroad to gain a better understanding of foreign markets and meet potential partners. In R5's case, his product was a function of approaching over 100 different industry professionals abroad and pitching them his idea.

In addition, many respondents experimented with IOs by testing markets. For example, R6 stated that most of her learning came through testing IOs and making mistakes; whereas R2 learnt by implementing a pilot product in India. Through experimentation, R6 worked out the optimum times to work in Germany and Brazil, thereby gaining augmented cultural intelligence. She raised an interesting point that for effective IO exploitation to transpire one must not reproduce their local mind-set or way of thinking: "It's getting rid of where you come from and understanding where you are going to... knowing who you should talk to and how... usually people don't adjust... having this cultural intelligence... it's the main asset in my opinion when you want to internationalise". R8 carried out testing through focus groups to identify sales demand and experimented relentlessly ("every week") so as to find a way to gain airport slots at Heathrow. Eventually, he attained slots free of charge due to EU law encouraging the breakdown of monopoly operations in the airline industry along with governmental resources (including the Lebanese CAA) facilitating the grants of licenses and permission of flying rights.

Personal capital was found as being instrumental to IO exploitation, with all the interviewees clearly displaying astuteness, tenacity and determination. R3 stated that one needs to be able to prove integrity at the outset: "A VC [venture capitalist] invested about £20 million... that literally came from the first phone call... you've got to be able very quickly to prove your credibility". Through internationalisation, the respondents were able to augment their resources and such credibility. For instance, R6 gained intellectual

as well as social capital: “It’s learning, it’s connecting, it’s expanding my horizons and building something unique... it’s an intangible asset but it’s very valuable”. Organisational capital too had a profound effect on IO exploitation, especially with regards to its timing. Since R3 had a patented product, this made it inimitable for a period of 20 years; thus encouraging faster exploitation. Essentially, he stated that when operating an intellectual property based business, the quicker one develops a product, the longer one has to commercialise it and procure peak sales. Conversely, the exploitation time-frame for R5 was irrelevant as more time would not have translated into a superior product given its low-tech nature. R4 was a first-mover and early-mover in India and the U.K., respectively, making it challenging to strike partnerships and generate interest amongst investors owing to his products’ novelty. In contrast, R3 stated that novelty did not affect the speed of entry which was, in his opinion, determined by how fast one can develop a product – inclined by the amount of financing available.

## **5.0 Discussion and Conclusion**

This section summarises and interprets the main findings with regards to the literature. Finally, practical implications and recommendations for future research are provided.

### **5.1 Research Objectives: Summary and Discussion**

Our study contributes to the literature by exploring how resources impact each stage of the entrepreneurial action process leading to internationalisation. We show that personal, organisational and social capital are all conducive to IO recognition, evaluation and exploitation.



### 5.1.1 Research Question One

Vis-à-vis IO recognition, we find that opportunities are discovered through social and business networks (Loane and Bell, 2006). For instance, client-followers (Majkgård and Sharma, 1998) such as R1 identify IOs via their customer base. Similarly, networks (such as trade shows attended by R5) help entrepreneurs' IO recognition through building knowledge of international markets (Chetty and Holm, 2000). Consequently, recognition is shaped by third party information channels (Venkataraman, 1997) and industry-specific knowledge (McKelvie and Wicklund, 2004). For example, R3 identified misused resources (hospital employees) through pharmaceutical databases. This ties into greater human capital facilitating superior opportunity discovery (Gimen et al., 1997; Davidsson and Honig, 2003), again evidenced by R3 having the most education, experience and highest valued company among the sample. We also highlight that prior knowledge of customer problems leads to IO recognition (Shepherd and DeTienne, 2005), demonstrated by R4. These findings appear rational as augmented networks and knowledge bases should lead to greater opportunities. Conversely, our results contradict Ellis's (2011) finding that blind luck plays virtually no role in opportunity recognition. For instance, simply going on holiday ignited R5's IO. This contributes to the enduring discussion regarding luck affecting opportunity discovery (Demsetz, 1988), which has been shown as conceivable and influenced by one's circumstances and surroundings (Kantor, 1988). In reality, good fortune is manifestly prevalent across countless endeavours.

Generating competitive advantage and subsequent dominant firm positions reinforce the notion that firms must continually identify opportunities beyond present competences (McGrath et al., 1996). For example, R1 and R5 showed unremitting IO recognition (Alvarez and Busenitz, 2001) by continuously seeking new global markets, culminating in them both becoming market leaders. Likewise, alertness (Kaish and Gilad, 1991) is

vital for recognising IOs and influenced by ingenuity (Krueger, 2003) shown by R6 operating in a creative industry. Moreover, such alertness assists in the discovery of new solutions during economic downturns (Baron and Ensley, 2006) as R1 proved. Firms must keep progressing and innovating if they are to survive and achieve fruitful performance; hence entrepreneurs may need to adopt creative practices to identify novel opportunities. In line with Shane (2003), we also find that those among the first to recognise IOs benefit the most monetarily. For instance, discovering an IO before other individuals enabled R3 to patent a product, exclude competition and thus generate higher returns than the remaining interviewees. Nonetheless, access to information was selective (Brass et al., 2004) across the sample – R3 only discovered his IO because of granted admittance to pharmaceutical databases. Categorically, individual, organisational and social resources benefit IO recognition (Baum et al., 2015) with one's access to information moderating the process. Superior knowledge bases and networks thus increase entrepreneurs' chances of recognising lucrative IOs.

### **5.1.2 Research Question Two**

Concerning IO evaluation, our study shows that desirability and feasibility – preconditions for exploitation (Steel and König, 2006) – are important. For instance, corresponding to Olson et al. (1995), high perceived value in products make internationalisation attractive. Such product differentiation encourages hierarchical entry mode decisions (Hollensen, 2011). This was the case for R7 (accompanied by external factors like increased market size and reduced trade barriers). However, we find that the greater strength of other internal factors such as small firm size and low international experience offset the former internalisation reasons (Hollensen, 2011), proven by R7 alternatively pursuing export modes (externalisation). Compatibly, this study confirms

Lévesque et al.'s (2009) findings that greater know-how translates into superior evaluation given that R1, R3 and R8 had the most international experience and highest valued companies in the sample. The more experienced such entrepreneurs are, the more capable they feel in evaluating IOs (Haynie et al., 2009). This translates into greater resource commitment; hence R1, R3 and R8 pursued hierarchical entry modes in the form of WOSs. Interestingly, contrary to Sharma and Blomstermo's (2003) interpretation that BGs ignore formal research processes, we find that international entrepreneurs rationally conduct comprehensive research during the evaluation stage. A plausible explanation is lack of academic research on BGs (Jantunen et al., 2008) and, more specifically, on how they evaluate IOs. Indeed, there have been calls to reconsider how the recent BG concept is studied (Coviello, 2015).

IE literature conclusions that entrepreneurial firms can adapt quickly due to shorter evaluation cycles (Bradley et al., 2011a) are underpinned by our findings. For instance, R1 modified his strategies to remain profitable during economic turmoil. SMEs and entrepreneurial firms allow faster decision-making due to flatter corporate structures and negligible bureaucracy. Our study also supports international marketing literature (Root, 1994) whereby entrepreneurs embrace predetermined criteria, shaped by their knowledge bases, to evaluate IOs (Autio et al., 2013). Augmented knowledge bases evidently decrease uncertainty during IO evaluation and such ambiguity reduction is key before selling a product abroad (Urban and Hauser, 1980). For example, R7 employed translators; while R5 educated consumers in psychically distant markets since inadequate understanding vis-à-vis new products increases consumption hesitancy (Aldrich and Fiol, 1994). This links into IO exploitation whereby SMEs initially enter countries culturally similar to their domestic market (Erramilli and Rao, 1993) – R5 originally internationalised to English-speaking nations. Lastly, as proposed by Keh et al. (2002),

we find that finance and risk are the key moderators of evaluation with entrepreneurs assessing IOs against their own capabilities – corresponding to Ardichvili et al. (2003). Irrefutably, IO evaluation is predominantly governed by entrepreneurs' personal capital as they make judgement decisions on the fit between their resources and recognised opportunities. Yet, providing networks and partners are effectively utilised, social capital will markedly influence such evaluation owing to superior resource recombination.

### 5.1.3 Research Question Three

Regarding IO exploitation, we find that SME internationalisation is rapid and opportunity-focused (Zahra et al., 2005), thus opposing customary, incremental expansion models impeded by uncertainty (Johanson and Vahlne, 1977). For instance, R8 pursued prompt IO exploitation since he operated in the world's most unprofitable industry (Porter, 2008), thus verifying Lévesque et al.'s (2009) assumption that hurrying entry is appropriate in a hostile market. Clearly, market entry is advised before saturation is reached. Our study also validates conclusions that such hurried exploitation creates first-mover advantages (Lieberman and Montgomery, 1988). For example, R3 pursued his IO as quickly as possible. Since he had a patent, this supports the fact that inimitableness makes a competitive advantage sustainable (Barney, 1991), extends a product's lead time (Robinson and Fornell, 1985) and provides first-mover advantages through an exclusive market position (Huff and Robinson, 1994). However, this is irrelevant to entrepreneurs such as R5 with minimal intellectual property concerning their product. There must also be sales demand for the patented asset in the first place. Consistent with newness intensifying an entrepreneur's doubt over a good or service (Sapienza and Gupta, 1994), we find that this makes it challenging to form partnerships and generate interest among investment communities. This was the case for R4 given his

products' high novelty. Conversely, as novelty did not affect R3's speed of entry, this opposes Sapienza and Gupta's (1994) notion that opportunities with low degrees of novelty enable faster exploitation. This may be due to R3 being the only respondent with a patented (and therefore wholly inimitable) product. As patents construct a legal position, the patented discovery can only be exploited by its proprietor for a limited period of time (Choi et al., 2009). Consequently, this encourages faster exploitation to benefit from being a monopoly provider throughout that period.

In addition, IO exploitation categorically requires stakeholder support (Rice, 2002) and a capable management team (Choi and Shepherd, 2004), displayed by R8's competitive advantage-generating resources being high net-worth investors and proficient employees. Without social and human capital, an entrepreneur will struggle to solidify positions in foreign markets and achieve successful internationalisation. This supports findings that networks and partners are instrumental for exploiting IOs (Mort and Weerawardena, 2006). For instance, owing to a lack of prior market entry practices (Sharma and Blomstermo, 2003), all the respondents experimented with IOs and combined their resources with third parties' capital. Such partnerships are shown to mitigate initial resource constraints (March, 1991) and boost cultural intelligence (Thomas and Inkson, 2009). Correspondingly, this aligns with gaining insights on foreign markets (via partners) to reduce internationalisation risk and thus facilitate superior IO exploitation (Slater and Narver, 1995). Take R2's operations in India as an example. Networks and partners therefore offer intangible and tangible assets that an entrepreneur could not efficiently cultivate by themselves. Following this, high levels of trust between the entrepreneur and partner are vital for effective IO exploitation (Uzzi, 1996) which we find is confirmed by the whole sample. Trust nurtures partnerships and critically determines whether they are successful. Conclusively, providing trust is present, social capital is the domineering

resource that enhances IO exploitation owing to the greater reserves and stakeholder support it offers entrepreneurs.

## **5.2 Implications**

Consistent with IE literature, we suggest that entrepreneurs and managers pursuing internationalisation should aim to expand their networks as gaining pivotal third party resources offer broader opportunity sets. Engaging in networking activities increases exposure to information channels, leading to successful IO recognition and evaluation. Furthermore, it can also lead to effective IO exploitation by igniting the formation of partnerships. This study verifies the importance of international entrepreneurs entering partnerships for many reasons, namely risk mitigation via third party capital and knowledge of foreign markets. Thus, resource-constrained firms are advised to enter global partnerships, providing they are reliable, suitable and generate synergies. However, to recognise such IOs in the first place, one must possess a certain level of general human capital. Advanced education and experience have been demonstrated as translating into superior IO recognition, evaluation and exploitation. Accordingly, entrepreneurs and managers are encouraged to augment their cultural intelligence – along with their employees – through pertinent teaching and experimentation. This is vital given the recent shift of firms deriving competitive advantage from the effective management of employees rather than technology and strategic positioning (Pfeffer, 1994). Moreover, cultural astuteness and linguistic skills have been deemed as instrumental in evaluating and exploiting IOs. National culture dimensions (Hofstede et al., 2010) and distance measures (Kogut, and Singh, 1988) provide a general conceptual base to work from and thus help determine foreign market entry modes and management across cultures. Yet, as shown, entrepreneurs learn most by doing, adapting strategies accordingly.

Throughout the entire internationalisation process, methodical research is recommended – understanding of international markets and intercultural competence reduce novelty and uncertainty of IOs, facilitating faster exploitation. Ultimately, building a sufficient knowledge base is essential so one understands how to identify opportunities, assess them against apposite measures and realise their commercialisation across national borders.

### **5.3 Limitations and Future Research**

As previously mentioned, this study's qualitative methodology may inherently be seen as lacking empiricism and rigour (Krefting, 1991; Morse et al., 2002); hence quantitative aspects could be introduced. Furthermore, time restrictions meant that it was only possible to interview a relatively small sample size composed of 75% men; therefore the sample may not be as representative as one would wish. Thus, future research should replicate this study on a larger scale and include more female respondents. Since individuals' education can shape entrepreneurial action (Davidsson and Honig, 2003), interviewing respondents predominantly from the same university may have reduced such representativeness further owing to analogous human capital. Prospective research efforts could accordingly focus on individuals with vastly different educational backgrounds. Likewise, interviewing entrepreneurs (or managers responsible for internationalisation) operating in the same industry would prove beneficial, allowing better comparisons vis-à-vis IO recognition, evaluation and exploitation. Within our study, directly comparing the respondents' actions, behaviours and internationalisation methods was difficult as they all operated in diverse industries with products differing in nature. Lastly, owing to its revealed importance and given that entrepreneurial behaviours differ among cultures (Jones et al, 2011), future studies should investigate the connection between international entrepreneurship and the two practical facets of cultural

intelligence and language. While education levels have been shown to play a significant role in IE, no research has solely focused on language, which is very much a practical aspect of national curriculums. This may be achieved through studying international entrepreneurs and managers of specific cultures and linguistic abilities.

#### **5.4 Conclusion**

Our study draws on and synthesises the RBV with OBT to examine the impact of resources on IE. Through exploratory study, we empirically show that resources impact and shape IO recognition, evaluation and exploitation, albeit in different ways. Our findings provide valuable insights for international entrepreneurs and managers by highlighting the critical importance of reliable partnerships and networks on top of their personal capital. At present, increasing globalisation and access to information empowers these individuals to indulge in global interaction processes, augment their cultural intelligence and thus pursue successful IO recognition, evaluation and exploitation.



## **6.0 Appendices**

### **6.1 Appendix 1 – Dissertation Questionnaire**

#### **Introduction**

This questionnaire has been designed so as to gain insights into the effect that entrepreneurs' resources have on their (1) recognition, (2) evaluation and (3) exploitation of international opportunities. Such wide-ranging resources can be tangible or intangible and include anything from experiences, education, training, expertise and finances to equipment, buildings, machinery, networks and patents. This interview is confidential and any views that you express can be anonymised if you wish. If, at any point, you wish to withdraw from the interview please feel free to do so. Likewise, if you have questions during the interview, please do not hesitate to ask. I will begin by asking you to state some brief demographic information before moving onto questions which address my research.

#### **Demographic Questions**

Please state:

1. Your name.
2. Your age.
3. Your gender.
4. Your ethnicity.

5. Where you were born and raised.
6. Highest level of education completed.
7. Main employment status.
8. Any foreign residence you have had.
9. National affiliation.

### **Introductory Questions**

1. How long have you been an entrepreneur, domestically and/or internationally?  
How old is your business(es)?
2. What is your company: What are its main activities and operations? What do you provide? Who are your major customers? Where is it based?
3. What proportion of your customers normally live outside your domestic market?
4. What operations do you have abroad?
5. How many people, including yourself, both own and manage this business?  
How many years of work experience do you (and your co-founder(s) – if applicable) have in this industry, both internationally and domestically?
6. Have you, alone or with others, started a business that you owned and managed before this one? If so, is/was it in the same industry?
7. What resources are the most valuable in your industry?
8. Does your business have a competitive advantage? If so, what resources provide this?

9. Right now how many people are working for this business? How many employees did you start with?
10. What is your business's percentage increase in growth from your first year of operation to this year?

**Research Question One: How do the resources that entrepreneurs possess affect their recognition of international opportunities?**

1. How did you discover this international opportunity(s)?
2. Did you find a new market/customer base(s)? Or were there already businesses doing this? Or did you identify misused resources?
3. What factors and/or resources helped you find this international opportunity(s)?
4. If you created a new market, why do you think others did not identify this international opportunity or think of such an idea(s)?
5. To what extent did you envisage this as an international opportunity(s)? Was the original plan to operate domestically or internationally?
6. Did luck affect this recognition process? Or did you seek this international opportunity(s)? Which resources and/or assets helped this?
7. What types of organisational capital, social capital and personal capital governed this international opportunity(s) discovery?
8. Did you recognise any complementary resources in international markets? If so, what were they?
9. What do you feel are the most important resources affecting the international opportunity discovery process and why?

**Research Question Two: How do the resources that entrepreneurs possess affect their evaluation of international opportunities?**

1. What motivated you to set up this venture? Did/do you have you other employment opportunities?
2. Why did you find this international opportunity(s) attractive? How did you decide that you wanted to pursue this? What resources governed this?
3. Were there other international opportunities you discovered but decided not to pursue? If so, why?
4. How long did it take to assess this opportunity(s) from recognising it to exploiting it? What resources quickened and slowed this process?
5. Did you feel that you had much control of this international opportunity(s) through your own resources?
6. Did you feel there was much risk present? What resources reduced and increased this risk?
7. Did an international market daunt you? If so, why?
8. Were there any particular factors which made you feel incapable of successfully exploiting this international opportunity(s)? Do you feel more capable now than before and why?
9. What do you feel are the most important resources affecting the international opportunity evaluation process and why?

**Research Question Three: How do the resources that entrepreneurs possess affect their exploitation of international opportunities?**

1. How did you pursue this international opportunity(s) (what were the main steps)? What were your main sources of capital?
2. What resources enabled and helped you pursue this international opportunity(s)? What were/are the main difficulties presented to you when pursuing this international opportunity(s)?
3. How do you conduct your international trade? Has this changed over time? If so, what resources influenced this decision(s)?
4. Did you initially have a lack of resources? If so, have you overcome resource constraints through internationalising?
5. What resources have you gained through internationalising? Did you pool them with your current ones?
6. Would having more time enable you to exploit this international opportunity(s) more effectively and why?
7. Did you have a first-mover or early-mover advantage? Or did you wait until the market was established before entering?
8. How novel did you find this international opportunity(s)? How did this affect your speed of entry? What resources governed this?
9. What do you feel are the most important resources affecting the international opportunity exploitation process and why?

### **Concluding Questions**

1. What main pieces of advice would you give to aspiring entrepreneurs to perform such recognition, evaluation and exploitation processes successfully?
2. How would you recommend researchers, like myself, explore this topic area more effectively?
3. Do you have any last thoughts that you wish to share?

## 6.2 Appendix 2 – Respondent 7 Interview Transcript

*Please note: this was the shortest interview in length (approximately 30 minutes) – roughly half the length of the longest interview (approximately one hour) and around 75% the length of the remaining interviews (approximately 45 minutes). All interview transcripts were written in verbatim.*

### START OF INTERVIEW

**Interviewer:** Hi [respondent's first name].

**Respondent 7:** Heya you alright, [interviewer's name]?

**Interviewer:** I'm fine, can you hear me ok?

**Respondent 7:** Yeah, I can hear you fine.

**Interviewer:** How are you?

**Respondent 7:** I'm not bad thanks and you?

**Interviewer:** Awesome, I'm great thank you. So I don't want to take up too much of your time so I'll just jump straight into this if that's OK.

**Respondent 7:** Yeah no problem, go for it.

**Interviewer:** Well, thank you very much for participating. So, urm, this questionnaire has been designed to gain insights into the effect that entrepreneurs' resources have on their recognition, evaluation and exploitation of international opportunities so...

**Respondent 7:** Yeah.

**Interviewer:** As you know, these resources can be tangible or intangible and can include anything from experience to networks and like social networks etc...

**Respondent 7:** Yeah.

**Interviewer:** And patents. So yeah, this interview is confidential and urm any views that you express can be anonymised if you wish and if at any point you want to withdraw, please feel free to do so and if you have any questions, please don't hesitate to ask. So I'll begin by asking some brief demographic questions, before moving onto those which address my research, so if you could please state your name, age, gender and ethnicity please, [respondent's first name].

**Respondent 7:** Yes, so it's [respondent's full name]. I've actually got them written down – do you want me to send it to you?

**Interviewer:** Yeah, that would be fantastic as well, yeah.

**Respondent 7:** Right, I've done it.

**Interviewer:** OK, awesome.

**Respondent 7:** I've got it written down, just for those questions anyway, so I've just pulled up the questions now.

**Interviewer:** OK great, that sounds great. OK, so urm moving onto the introductory research questions then. So, urm, how long have you been an entrepreneur for and how old is your business, [respondent's first name]?

**Respondent 7:** Urm, so I've been an entrepreneur for as long as the business has been going and that is 2007, so 9 years.

**Interviewer:** OK great, so what, what is your company? What are its main activities? Urm what do you provide? Urm who are major customers and where are you based?



**Respondent 7:** So we are, the company's [respondent's company name], our main activities, we're online retailers of various products. What do we provide? We provide items throughout the U.K. and Europe. We sell all sorts. We're a bit like a mini Amazon [<http://www.amazon.com>] really.

**Interviewer:** Ah OK.

**Respondent 7:** And our head office is based in York; our warehouse is here as well. And then we have a distribution centre in north Lincolnshire as well.

**Interviewer:** Ok awesome, so what proportion of your customers normally live outside your domestic market

**Respondent 7:** Urm, let's, so when you say outside domestic market, do you mean outside the U.K?

**Interviewer:** Yes, Yes.

**Respondent 7:** Urm about 10% of our customers.

**Interviewer:** OK fantastic, do you have any operations abroad?

**Respondent 7:** No.

**Interviewer:** OK, so all online yeah.

**Respondent 7:** Yeah.

**Interviewer:** OK awesome, so how many people, including yourself, both own and manage this business?

**Respondent 7:** Urm, so it's just myself that owns it and then I have a small managing team as well and they [inaudible] who help run the day-to-day operations.

**Interviewer:** OK great, urm, how many years of experience do you have in this industry?

**Respondent 7:** Urm only, again, the 9 years that I've been doing it.

**Interviewer:** OK great, have you founded a business before this one?

**Respondent 7:** Never.

**Interviewer:** OK, thank you. So what would say are the most valuable resources within your industry?

**Respondent 7:** When you say resources, you mean things that help me get by in business?

**Interviewer:** Urm anything from, you know, your finances, from, or or, your own personal experience, your education.

**Respondent 7:** Yeah I think probably the most valuable business is, the most valuable resource is, is the, definitely finance, having a close financial eye on everything, strong cash flow and then there's staffing. It's extremely important and one of our most valuable resources. Urm and probably the least valuable is probably networking \*laughter\*.

**Interviewer:** OK, thank you very much. So does your business have a competitive advantage and, if so, what resources provide this competitive advantage?

**Respondent 7:** OK, so our biggest competitive advantage is that every single item we sell has unique selling points, urm, and that can vary depending on the product. To give you a quick example, you were urm, for example, to buy an extractor hood from B&Q. You'd probably pay £100 for it, it would have an extraction capacity of 300 metres cubed per hour and then you'd have to buy the extractor kit to go with it separately. With ours, you'd pay the same amount of money, £100, but the extractor kit would be included and it would have a much better, stronger extraction capacity and that's how we do all our orders – by giving more value for money in the product. It's this value.

**Interviewer:** OK great, so right now how many people are working for you in your business and how, urm, many employees did you start with?

**Respondent 7:** So there's twenty of us. Urm, obviously started with just myself then I took on one person, followed quickly by a second person then we grew to, urm, to a team of about four and then we kind of hung around four for a little while and then it just grew rapidly from there.

**Interviewer:** OK, great fantastic, are you able to provide a figure or like a percentage growth increase from your first year to this year?

**Respondent 7:** Urm, oh god, yeah let me work that out. That will be quite interesting \*laughter\*.

**Interviewer:** Yeah that's fine.

**Respondent 7:** Let me have a look, one second. [Inaudible] So it's my first year to this year yeah?

**Interviewer:** Yeah.

**Respondent 7:** [Inaudible] 3,788% \*laughter\*. And that is correct actually.

**Interviewer:** \*laughter\* Fantastic, thank you for that figure. OK, so moving onto the questions which address one's recognition of international opportunities so, urm, how did you discover this opportunity in the first place? How did you discover [respondent's company name]?

**Respondent 7:** So this is for international, yeah?

**Interviewer:** Urm, yeah yeah.

**Respondent 7:** International opportunities, so for international opportunities we sell on Amazon already, urm, and Amazon made it very easy to launch on Amazon into Spain, Germany and France.

**Interviewer:** OK, great.

**Respondent 7:** So we trialled with that, urm, and we've had huge success with it. And this is quite recent really, so now we're having a much bigger initiative to push international exports.

**Interviewer:** Fantastic, so did you find a new market or customer base? Or were there already businesses doing this? Or did you identify any misused resources?

**Respondent 7:** Urm, there was already businesses doing it. Again, it's our products that sell themselves. Then we use existing market base on Amazon, the customer base, sorry.

**Interviewer:** OK, fantastic.

**Respondent 7:** And then we just tapped into their customer base.

**Interviewer:** OK, awesome. So, urm, what particular factors or resources helped you find this international opportunity? You were saying...

**Respondent 7:** I think it's the fact that they were always drumming on about it. You know, we'd get a lot of, urm, updates from Amazon [inaudible], they were trying to push the international opportunity and that really started the international opportunity.

**Interviewer:** OK, great. So to what extent did you envisage [respondent's company name], as being international, like selling internationally? Was your original plan to operate domestically or internationally?

**Respondent 7:** Yeah, it was always going to be domestically, urm, it was kind of by accident really, when your customers find your domestic market from abroad and then buy, then start shipping [inaudible] you start to see an opportunity there.

**Interviewer:** Yeah.

**Respondent 7:** And it was due to that really, it was more by chance that customers came to us and then we trialled out the Amazon thing and it worked.

**Interviewer:** Awesome. So yeah, this links into the next question, so it is basically did luck affect this, urm, recognition process?

**Respondent 7:** Yes \*laughter\*.

**Interviewer:** Thank you. Yeah, urm, so what types of personal capital or social capital helped you discover this opportunity? Would you say it was your customers mainly and Amazon drumming on about it?

**Respondent 7:** Yeah. To be honest, none of us, we didn't really do much, but what we have done recently is join the UKTI programme.

**Interviewer:** Yeah, U.K. Trade and Investment, yeah OK.

**Respondent 7:** That's right. And that's been really good. We only joined them this year and we've been on a few programmes with them and they give us even more opportunities and more marketplaces we can look at.

**Interviewer:** Ah, I see. Can you provide any particular examples?

**Respondent 7:** Yeah, we haven't gone on there yet, but they've basically given us advice on marketplaces. Cdiscount [<http://www.cddiscount.com>] which is in France, it's massive in France. Another one called Allegro [<http://allegro.pl>] which is huge in Poland. These

are all new marketplaces and we're just looking at ways of integrating with them [inaudible]. That's going to open up some new opportunities for us.

**Interviewer:** OK, that sounds fantastic. So have you recognised any complimentary resources in international markets? Like do you have any ambition to kind of expand abroad? I know you are based online mostly but I was wondering are you aiming to establish in any other markets, you know, tangibly?

**Respondent 7:** Right, like have a distribution centre there or something?

**Interviewer:** Yeah.

**Respondent 7:** Not at the moment, but I'm thinking, because at the minute it's quite small – it's about 10% of our turnover. I think if that increases and when savings can be made to have hubs there. But at the minute there isn't but, again, when we get bigger maybe.

**Interviewer:** OK, great. So moving onto the last question regarding recognition, what do you feel are the most important resources affecting an entrepreneur's ability to identify, to discover an international opportunity?

**Respondent 7:** I think it's down to the entrepreneur. Some peoples' fear gets in the way and they don't go for it. In other people, I think, if you have good resources around you i.e. you can tap into translators, for example, you can streamline your customer services with a good translation service – I think those kinds of resources are the best an entrepreneur can have to exploit international markets.

**Interviewer:** Ah fantastic answer, thank you for that. So yeah moving onto the evaluation of international opportunities now, so what motivated you to set up this venture in the first place and did you have any other employment opportunities at the time, [respondent's first name]?

**Respondent 7:** Urm, so in terms of international or as a business in general?

**Interviewer:** Both, if that's OK?

**Respondent 7:** Yeah, no problem. So what motivated the setup of this venture? It was more to do with, I spotted, I identified a gap in the market for one product – and that's how I started it – with just one product. And that product was mannequins. That's how the company started so I identified an opportunity there and I exploited it. Urm, and at the time, I was in full-time employment, which I gave up to do this.

**Interviewer:** OK.

**Respondent 7:** In terms of international, urm, what motivated me was actually seeing that there's access to 28 other European countries that I'm not tapping into.

**Interviewer:** Yeah.

**Respondent 7:** And, you know, increasing my sort of customer base from 65 million to 500 million...

**Interviewer:** Yeah.

**Respondent 7:** Was really appealing and I thought the freight costs, it's silly not to do it, because we've got great products to sell as well.

**Interviewer:** Ah, awesome. So would you say this is the reason why you found international opportunities attractive?

**Respondent 7:** Yes.

**Interviewer:** OK, awesome. So what was your job at the time?

**Respondent 7:** I was a chemist.

**Interviewer:** OK, great.

**Respondent 7:** A scientist, yeah.

**Interviewer:** Did that background help you at all in operating [respondent's company name]?

**Respondent 7:** It did actually, yeah, because I was an analytical chemist.

**Interviewer:** Ah, OK.

**Respondent 7:** So the way that you have to work as an analytical chemist is; it's very, very detailed thinking. Highly, highly analytical and with business it's quite similar – it is all looking at patterns, it is looking at numbers and it is being highly analytical whether that's for your product market research, to doing your finances, having a great attention to detail. I think all of those skillsets that you have to have inherently as a chemist can be transferred over to business and actually you can reap a lot of benefits.

**Interviewer:** Ah, that's brilliant. So, um yeah, that's really interesting, that's a great point. Were there any other international opportunities or ideas that you discovered or thought of that you decided not to pursue?

**Respondent 7:** Oh gosh, yeah lots \*laughter\*.

**Interviewer:** Why?

**Respondent 7:** There were quite a few in America, using that as an example. The U.S.A – their culture's very different, at the minute we don't have products that lend themselves well to America. Urm, because of the shipping volumes, the nature of Americans as well, they have quite a high return online. They have quite a high return rate and with this being so far away, costs a lot of money to return it.

**Interviewer:** Ah, OK.

**Respondent 7:** So it kind of makes it not viable.



**Interviewer:** Yeah, I see. So how long did it take for you to, so once you came up with the idea of [respondent's company name], how long did it take from having that idea, recognising that opportunity, to exploiting it?

**Respondent 7:** Urm, I'm trying to think. Probably about a year and half. I thought about the mannequins for a year and half before I did it.

**Interviewer:** Ah, OK. How about with international markets? So when you thought about selling to an international market and then doing it?

**Respondent 7:** Urm, I think we'd been thinking about it for ages. But It's just been, we've been so busy selling in the U.K. we've not had chance to, you know what I mean, get back and look at it. So I'd say probably, well, since we started up we've never really pushed it, we've always sold a little bit. We've always exported since day one.

**Interviewer:** Yeah.

**Respondent 7:** By accident, by chance.

**Interviewer:** Ah, OK.

**Respondent 7:** But only now have we really pushed it when Amazon's made it a lot easier to do it. So I'd say in the last year, so it's probably taken a good seven years.

**Interviewer:** Ah, OK. So do you feel that you have, urm, much control through you own resources with regards to international opportunities and markets?

**Respondent 7:** Not at the moment because we're relying a lot on translators and other things, but that's being addressed. I am actually in the process of recruiting somebody who is of Italy origin and he's fluent in Italian and Spanish and if that works for those two market sectors I will then do the same for France and Germany as well.

**Interviewer:** Alright, fantastic. This links into the next question, so did you feel there was as much risk present in international markets and opportunities and, if so, what resources reduced and increased this risk?

**Respondent 7:** Yeah, I think the only risk was the lack of customer services that we had because of the language barrier, so a lot of things got google translated back and forth which, again, doesn't lend itself to good English. Urm, the way to mitigate that risk, at the moment, it's not a big deal because its only 10% of our turnover, not everybody emails us anyway, but if that gets bigger it's very important that we maintain excellent customer service with people of that background.

**Interviewer:** OK, great. So do international markets daunt you at all and, if so, why?

**Respondent 7:** They did initially because I was scared of the item getting there OK...

**Interviewer:** Yeah.

**Respondent 7:** And scared about the whole customer service issue but as we are getting better at knowing what packaging we need and as we are addressing the customer service side, it doesn't daunt me as much anymore.

**Interviewer:** OK, great. So, again, this relates to the next question, so were there any particular factors which made you feel incapable of successfully exploiting international opportunities and do you feel more capable now than before?

**Respondent 7:** Yes, I think the particular factors were the problems with language and the freight costs have gone down a lot as well so that's made it a lot more attractive. So yeah, I do feel more capable than before because of the fact that we're addressing the language and the freight costs are a lot lower than they used to be.

**Interviewer:** OK, fantastic. So moving onto last question regarding one's evaluation of international opportunities. What do you feel are the most important resources effecting

this international opportunity evaluation process and why? So what do you feel are the most important resources affecting how someone assesses an international opportunity?

**Respondent 7:** Urm, probably to look at the sales demand. Look at the product – whether it's in demand so, to give an example urm, our cooker hoods would never sell in Italy, in Italy they have really stylish, they look like chandeliers that actually happen to be cooker hoods. And that seems to be more the norm than what we sell so we'd be silly to enter that market. So I suppose the answer is excellent market research, so you're not offering a product that doesn't suit that particular market, and actually know the customer base out there. Exchange rates play a massive factor as well. So sometimes it will appear as really cheap, sometimes it will appear as really expensive depending on the exchange rate.

**Interviewer:** Ah, that's very interesting.

**Respondent 7:** Yeah.

**Interviewer:** So moving onto the last set of questions which relate to entrepreneurs' exploitation of international opportunities.

**Respondent 7:** Yeah.

**Interviewer:** So how did you pursue these international opportunities in the first place? What were the mains steps and what were your main sources of financial capital at the start?

**Respondent 7:** OK, so the steps were, we urm, first of all made a list of all the products that we have and we then went onto Fiverr dot com [<http://lp.fiverr.com>] and found some translators, we gave them some products to translate. We then quality controlled how good they were by asking somebody that we knew, just as a one off, to read the translations and say whether they were good enough. Once we knew we had a very good translator, we got our listings translated; they're not all human translated yet but the

majority of them are. We then made our instruction manuals into four different languages and we've also invested a little bit of money to ensure that any plug sockets we provide come with two adapter leads – one for international and for U.K. so it doesn't really matter whether it goes in the U.K. or international, they've got the right plug available. Urm, it didn't cost a huge amount, probably the whole project cost less than £500, maybe less than £1000 from our own resources, we took that out. That's the beauty about marketplaces, you don't have to invest a lot of money to see whether they work or not.

**Interviewer:** Yes, definitely. So, again, this links into the next question, so what resources really helped you to pursue this opportunity and what would you say were the main difficulties that you encountered with regards to international markets and international opportunities?

**Respondent 7:** I think that the most difficult thing we encountered is when you actually go onto to some of these marketplaces, I'm not talking about Amazon now, they don't actually translate the sites...

**Interviewer:** Yeah.

**Respondent 7:** When you're trying to add listings you kind of go blind in working out what's what, where you can add things in, so the language is probably our biggest difficulty, the language barrier. And resources internally, so it's the same marketing people that I have to do our U.K. marketing that are the doing the international marketing so there's a strain there on HR and I do want to employ people to find viable marketplaces for us.

**Interviewer:** OK great, that's a fantastic answer. So how do you conduct your international trade and has this changed over time?

**Respondent 7:** Yeah, so initially I think we used to be on eBay and we used to tick the box saying international sales allowed, urm, and we got some but now we're actually list properly on eBay dot FR [<http://www.ebay.fr>] dot SP, ES [<http://www.ebay.es>] sorry. The same with Amazon, we're listed on there, and going forward we want to actually really push it on our website as well; get our website translated into different languages and do pay-per-click, so it's changing all the time.

**Interviewer:** Yeah, definitely. So what are the resources that primarily influenced this do you think?

**Respondent 7:** It's the people to do it, really...

**Interviewer:** Yeah.

**Respondent 7:** The people to do it and coordinate it so, even if I don't need someone to translate it, I need someone to coordinate the entire process of taking that product from what we have it as to make it international, urm, and to list it on either the marketplace or on our website. So it is purely down to people power.

**Interviewer:** OK, great. So did you initially have a lack of resources and, if so, have you overcome resource constraints through internationalising?

**Respondent 7:** I don't understand the question. What do you mean?

**Interviewer:** Have you gained anymore resources through selling to international markets?

**Respondent 7:** Urm, let me just think. I will have – I haven't yet, you know, but I will have.

**Interviewer:** OK, awesome. So, moving on, would having more time enable you to exploit these international opportunities more effectively and, if so, why?

**Respondent 7:** Urm, sorry my [computer – Skype] screen has just gone completely.

**Interviewer:** Oh, can you hear me?

**Respondent 7:** Yeah, I can hear you absolutely fine. It's just I'm reading the questions as your reading them and my screen has just completed screwed up.

**Interviewer:** Yeah.

**Respondent 7:** Just tell us what question that is again.

**Interviewer:** It was number six of research question three.

**Respondent 7:** Would having more time enable me to... Absolutely yeah, I think time is the most valuable thing we've got and if you gave me more time I'd be able to exploit far more. Time and the right people as well.

**Interviewer:** Yeah.

**Respondent 7:** Definitely.

**Interviewer:** Yes, that's been a general theme so far over my interviews – a lot of people have been referring back to people and manpower, how that helps.

**Respondent 7:** Yeah.

**Interviewer:** Getting the right people for the right roles.

**Respondent 7:** That's it.

**Interviewer:** So did you have a first mover or early mover advantage, [respondent's first name], or did you wait until the market was established before you entered?

**Respondent 7:** Unfortunately, I waited till the market was established.

**Interviewer:** OK.

**Respondent 7:** I think we were just so busy selling in the U.K., while it was really growing in Europe. We weren't proactive enough.

**Interviewer:** Ah OK, I see. So do you think you would have had a better, a bigger market now if you moved in earlier?

**Respondent 7:** Probably yeah and what's happened is we're now, what is good and what's bad. So what's bad is that we're now having to go product by product and get it launched on all these different marketplaces. Going forward, as a new product comes in, a brand new product that we've never sold before comes in, it's a great time because we no longer just put it on one platform; we have it in on several platforms. So from day one, we're selling internationally as well as here so we'll find that a new product will start giving us return on investment much quicker than it ever has done before.

**Interviewer:** Ah OK, great...

**Respondent 7:** Because we're spreading it over a wider platform from day one.

**Interviewer:** So moving onto question eight now of research question three. So, urm, did you, how novel did you find international opportunities and has this amount of novelty affected the speed of which you've exported to these international markets?

**Respondent 7:** Yeah, so it's not really that novel. I think a lot of people are doing it. We are about to do something a little bit more novel – so we've just signed up with a company called Lingo and what Lingo are, you put all your products in there [inaudible], you put all your products in there and then that has 1,400 new marketplaces and comparison sites across the world...

**Interviewer:** Wow.

**Respondent 7:** And you can click which ever ones you want to, obviously you pay for it, but you click whichever channels that you want to do. Now some of them are really novel

sites [inaudible]. That's going to be really interesting. We literally signed the paper work yesterday so it's very, very new, we've not got any products on there yet. We're just looking at integrating now, so in a few months' time when we've started using it properly and we have some sales off the back of it, it's going to open up a whole new world of opportunity...

**Interviewer:** Wow, that's really exciting.

**Respondent 7:** And a lot of that will be novel as well.

**Interviewer:** Yeah, that's great. What do you feel are the most important resources then affecting an entrepreneur's ability to exploit an international opportunity?

**Respondent 7:** I think really the biggest one is going to be good staff and then good automation software as well. So if you think if you're going to increase your capacity by exporting and sales volume you need a really good way of handling it at the back-end and having a good automated system that can integrate with of all of those things would be an imperative resource.

**Interviewer:** OK, fantastic. Right, these have been brilliant answers so moving onto the concluding questions now, [respondent's first name].

**Respondent 7:** Yeah.

**Interviewer:** So what main pieces of advice would you give to aspiring entrepreneurs to perform these recognition, evaluation and exploitation processes more effectively with regards to international opportunities?

**Respondent 7:** I would, I would say firstly to thoroughly market research whether that product or service is going to work in that country and if they feel it is going to work, plan which resources you're going to use internally or contract it out if you can't afford too. Don't try to spread yourself thin like we have. And thirdly have an excellent back-



up system, so when they do, when sales do start coming in, you can support them well and you can send them out, dispatch them, have good courier relationships, and the whole process from beginning to end from the customer seeing the item to the customer receiving it is as smooth as possible.

**Interviewer:** OK, great. Number 2 – so how would you recommend researchers, like myself, explore this topic area more effectively?

**Respondent 7:** You could look at, there's lots of forums on Amazon and eBay and Tamebay [<http://tamebay.com>]. If you go on Tamebay; that's an online market place, loads of people have open forums where they talk about their experiences with exporting so that could be an interesting way of gaining a good insight into what people are doing.

**Interviewer:** OK, cool.

**Respondent 7:** Press articles tend to highlight, UKTI would be a great place for you. They have a lot of information.

**Interviewer:** OK, awesome.

**Respondent 7:** That they report, you know, publicly report that could be interesting to you.

**Interviewer:** OK thank you very much, [respondent's first name], and thanks again for your participation. Do you have any last thoughts that you'd like to share.

**Respondent 7:** Last thoughts. I think anybody who is considering whether or not they should or shouldn't internationalise, um, is really to not be scared by any [inaudible] barriers. I think that what lots, stops a lot of people; it's the fear of the unknown, it's another country, another language, another currency. And actually once you start doing it, it's not as difficult as it might seem, but the benefits are massive.

**Interviewer:** OK, awesome. Well, thank you so much, [respondent's first name], and it was an absolute pleasure. I'll be in contact again soon and I look forward to receiving the demographic questions off you as well and yeah talk soon.

**Respondent 7:** No problem.

**Interviewer:** Thank you, [respondent's first name].

**Respondent 7:** Cheers.

**Interviewer:** Good luck with [respondent's company name], Bye.

**Respondent 7:** Cheers then. Bye, [interviewer's name].

**END OF INTERVIEW**

### 6.3 Appendix 3 – Respondent 8 Interview Transcript

#### START OF INTERVIEW

**Interviewer:** Hi [respondent's first name].

**Respondent 8:** Hello [interviewer's name].

**Interviewer:** How are you? Can you hear me?

**Respondent 8:** Yeah, can you hear me?

**Interviewer:** Yeah, I can hear you perfectly.

**Respondent 8:** OK, now I can. I just had to press the [Computer – Skype] speaker button.

**Interviewer:** Awesome, how are you doing?

**Respondent 8:** Yeah, I've been very busy, thank you very much. All is well, got back from Holland yesterday, late.

**Interviewer:** Ah, I see.

**Respondent 8:** And now I have quite a lot of paper work, urm that has to be done; submitted as a consequence.

**Interviewer:** Ah, OK.

**Respondent 8:** But never mind, how are you?

**Interviewer:** Yeah, I'm OK, thank you. Yeah, just focusing on my dissertation at the moment so...

**Respondent 8:** How's it going?

**Interviewer:** Yeah, it's going well. You're actually my last interview and I've already interviewed seven entrepreneurs and yeah you're my last.

**Respondent 8:** Ah, alright, OK.

**Interviewer:** After I've collected this data I have to analyse it etc. and then I'll share the results with you. But yeah, thank you...

**Respondent 8:** Yeah.

**Interviewer:** Thanks for participating. I don't want to take up too much of your time so...

**Respondent 8:** Ah OK.

**Interviewer:** I'll jump straight into this, if that's OK?

**Respondent 8:** No, absolutely Guy. Can I just ask you, when I read the document [the questionnaire] and I know what you're trying to achieve there...

**Interviewer:** Yeah.

**Respondent 8:** Because my business interests vary widely...

**Interviewer:** Yeah.

**Respondent 8:** Urm, so could we focus on one particular business?

**Interviewer:** That's exactly what I was going to ask you actually, yeah.

**Respondent 8:** OK. Right, let's focus on [respondent's company name] then because this will help answer almost every question you have.

**Interviewer:** Oh, that fantastic. Yeah, I was actually going to ask if we could do that one. Ok, so...

**Respondent 8:** OK, good.

**Interviewer:** Alright, awesome, so yeah this questionnaire has been designed to, urm, gain insights into how your resources affect your recognition, evaluation and exploitation of opportunities...

**Respondent 8:** Right.

**Interviewer:** And, urm, yeah this interview is confidential so any views you express can be anonymised and if you want to withdraw at any point, please feel free. And likewise, if you have questions, please don't hesitate to ask.

**Respondent 8:** So, urm, if I could ask you to please state your name, age, gender and ethnicity please, [respondent's first name].

**Interviewer:** Yeah, [respondent's full name], I was born on 26<sup>th</sup> February 1962 so I can't think how old that makes me – 53, 54 – something like this. Male, urm Mediterranean.

**Respondent 8:** OK.

**Interviewer:** Where were you born and raised?

**Respondent 8:** Urm, Lebanon.

**Interviewer:** OK, your highest level of education completed?

**Respondent 8:** MSc.

**Interviewer:** Your main employment status?

**Respondent 8:** Urm, consultant and associate faculty.

**Interviewer:** OK, awesome and any foreign residence you've had?

**Respondent 8:** No [Lebanon and Great Britain].

**Interviewer:** No. And your national affiliation?

**Respondent 8:** Urm, what does that mean?

**Interviewer:** Urm, which country would you most identify with?

**Respondent 8:** Britain.

**Interviewer:** OK, thank you very much. So moving onto the introductory questions so...

**Respondent 8:** OK.

**Interviewer:** How long have you been an entrepreneur?

**Respondent 8:** Since 1985, international.

**Interviewer:** OK and is that how old [respondent's company name] is?

**Respondent 8:** Urm, [respondent's company name] was born in October 1994.

**Interviewer:** OK, fantastic. So can you, urm, can you describe the company, its main activities?

**Respondent 8:** Yes, it's urm, a scheduled passenger airline based at London Heathrow...

**Interviewer:** Yeah.

**Respondent 8:** Flying passenger and cargo scheduled services from Heathrow to the Lebanon and to other Mediterranean, other Middle Eastern countries like Syria, Jordan, Egypt, Sudan, urm Iran and so on.

**Interviewer:** OK, awesome. So what proportion of your customer would normally live outside the domestic market?

**Respondent 8:** Urm, 90%.

**Interviewer:** So yeah, I was going to say, what operations did you have abroad?

**Respondent 8:** Yes, well we had to have presence in all these countries; we had to have our own offices, our own salesforce, urm our own operations, although we did outsource urm handling of the aircraft and passengers at the airport to third parties. Everything else

– we had to have our own employees, urm, we had to have our own training centres there to train the crew and the sales staff. Urm, we had to have representatives at various parts of the countries, so we could come to agreement with local companies, urm, travel agents and so on to represent our interest and the rest of the company. So we would have our main offices in the capital. Let's say if it's Syria, it would be Damascus and then every other region like Aleppo and others would have representatives.

**Interviewer:** Ah, OK. So how many people, including yourself, both own and managed this business?

**Respondent 8:** Urm, well the company by 2007 had over 1,100 people.

**Interviewer:** Ah, OK.

**Respondent 8:** I started it back with 65 staff including myself and one aircraft. By urm, within two years, we had three aircrafts and 250 staff and then we, in 2007, we won the Queen's award for Enterprise and then we started expansion fairly quickly.

**Interviewer:** Ah OK, so how many years' experience did you have in this industry?

**Respondent 8:** Before I started it?

**Interviewer:** Yeah.

**Respondent 8:** None.

**Interviewer:** So all that experience started when you started the business?

**Respondent 8:** Yes.

**Interviewer:** OK, thank you. So did you start any businesses before this?

**Respondent 8:** Urm no, no.

**Interviewer:** And urm, what would you say are the most valuable resources in that industry?

**Respondent 8:** Valuable resources – my resources or resources of the industry?

**Interviewer:** Resources of the industry.

**Respondent 8:** Urm, the people.

**Interviewer:** The people, OK.

**Respondent 8:** Yeah, the employees.

**Interviewer:** That's been a general theme across all the interviews so far.

**Respondent 8:** Yeah.

**Interviewer:** The manpower.

**Respondent 8:** I mean look with airlines [inaudible] every company would, could have aircrafts. We could all have, urm, machinery and tools and computers, you name it, and because we're a service based industry, people who are on the front line like cabin crew and salespeople and so on – it's vital, they are the key asset.

**Interviewer:** Ah OK, I see. So did your business have a competitive advantage and, if so, what resources would you say provided this?

**Respondent 8:** Urm, the resources really were common sense and patience for selecting the right numbers of staff and managerial, urm, team numbers. Urm, also the funding that we have, for instance, when I'd done my competitor analysis and I knew as a new start-up, we could have a major uphill struggle fighting well established brands like British Airways and fighting them on their own home turf, so to speak. So one way of ensuring survival is to bring in investors that have very, very deep pockets and who are very well committed to our strategy...



**Interviewer:** Yeah.

**Respondent 8:** So by the sheer fact that we used their resources, their connections, um and their capital basically, it clearly sent a clear signal to our competitors including BA that we are here for the long-term. Because the main objective that I set out in the business plan from day one was that we will never make money in the first two years and the only way we will make money is if we move, you know, like form a transformational entrepreneurship type to a franchise type, so I wanted to franchise the company to BA. So the strategy that devised from the outset was geared towards pushing British Airways to the corner and within two years we'd become an attractive proposition for franchising and one resource I needed which was key to ensuring that BA, um, would be interested is to show them our investors are very successful international, high net-worth individuals with every deep pockets and unwavering commitment to the company come what May...

**Interviewer:** Ah OK, awesome.

**Respondent 8:** So to the board of British Airways, when they look at my investors and each earns over half a billion dollars a year, they realise that these guys could fund this operation till the cows come home, so the only way the losses on both sides could be halted and realistically start making money – both of us – is to give a franchise.

**Interviewer:** Ah I see, OK. So can you provide a percentage increase in growth from the first year of operation to...?

**Respondent 8:** The minute we signed a franchise agreement with British Airways and we painted our aircraft in their colours and we used their flight numbers and so on, sales went up by 25%.

**Interviewer:** Oh OK, I see. SO yeah, moving onto how resources affect an entrepreneur's recognition of opportunities. So how did you discover this international opportunity in the first place?

**Respondent 8:** Personal interest. Number one.

**Interviewer:** OK.

**Respondent 8:** Urm, because I've discovered that everybody says entrepreneurs have to have passion – and try analyse what passion is. Passion has to evolve from something called personalisation, I would say. If you have a personal attachment to what you're creating; like Richard Branson with his airline. His mum as a stewardess, he grew up within this environment and has a personal attachment to it. The same with Stelios and EasyJet – he fought tooth and nail not to be removed because of that personal attachment. Urm, they won't do the same with let's say Virgin Media or whatever; but Branson, for instance, is very keen on his airline and Virgin Galactic. Again, that's to do with space and aircraft. So you have to have personal interest, urm, first. Secondly, you need to have passion in it and passion for the industry itself, urm and you have to have other motives and then what will happen, if you know you've got this, urm, then the other resources you need is a lot of common sense, urm feet on the ground so when you start doing your analysis, urm you must be very realistic. I mean you must not let ego or any issues like that hinder progress...

**Interviewer:** Yeah.

**Respondent 8:** These are the three areas which helped me, in particular, to identify this market and this passion.

**Interviewer:** Ah OK, awesome. So did you identify any misused resources?

**Respondent 8:** Yes, I did.

**Interviewer:** OK.

**Respondent 8:** For instance, urm, misused resources from my company or the competitors at the time?

**Interviewer:** I'd say competitors at the time within that space.

**Respondent 8:** OK, yeah. The misused resources were primarily, urm, human capital. They employed staff, they were there because they had the right political connections and they didn't have the expertise, nor the will to do or provide good customer service because they were the only operator on the market. It was a monopoly market and so they knew that people or the customer would fly whether they are good or bad – so that's one. Secondly, the equipment they used was very old, very environmentally unfriendly, urm very, very expensive to run and although they had the resources to change to more modern and more efficient, environmentally-friendly equipment, they opted not to and hence the company did not make any money and was surviving off of government subsidies. I also found that, urm, they did not provide good, they did not provide particular market segments with what it needs. For instance, urm, a significant portion of this traffic – I think it was something like 20% or 25% – were elderly people and elderly people require a lot of fuss, more time and resources at airports like wheelchairs and so on, and they didn't bother...

**Interviewer:** Ah, I see.

**Respondent 8:** And so I identified that and I put it into my strategy to compensate for it and so on.

**Interviewer:** Ah, that's fantastic. So do you think, urm, luck affected your recognition of this opportunity?

**Respondent 8:** Sorry, say that again.

**Interviewer:** Do you think that luck played a role in this, in recognising, in identifying...?

**Respondent 8:** Yes, yes of course, yes. I mean I used to go and sit at the airport at Heathrow in the terminal three area in the carpark and the national airline of Lebanon used to park right next to me, down below me...

**Interviewer:** OK.

**Respondent 8:** So I used to, with binoculars, watch how many passengers came out, I used to count them and I used to look at their age and gender because when I used to go to the Civil Aviation Authorities Library – this is where the statistics are published, about passengers movements, origin and destination and so on – however, it did not show the market segment or the age difference or the gender or whatever. So I needed to, when I looked at statistics, I needed to have a rough idea of what the gender is, um, age group of course, sex and so on.. So when I go to the airport and I see, let's say, I inspect 50 to 100 flights, I think I've done over 100 flights, I've collected all this data and I've added it together so when I look at statistics that are published by the Civil Aviation Authority, when they say in the month of July or June so many passengers have flown on the route. So I could go back to my observation and say OK, the majority are this sort of age group, children, um from that sort of percentage and so on, because that had to help me with my, um, advertising and marketing strategy, which determines the spend obviously, so I needed to know what that breakdown was.

**Interviewer:** Ah OK, I see. So what types of organisational, social and personal capital helped you discover this opportunity? What would you say were the main resources?

**Respondent 8:** Social, um, social resources. Um, government organisations, charitable organisations, um business associations...

**Interviewer:** Yeah.

**Respondent 8:** Educational resources. A lot of traffic that go through were also students who study overseas like in the United States or Canada and so educational resources. Urm, word of mouth, going into focus groups – I went and met several people that I’ve invited, you know, to my house or we met in a restaurant, we sat down as a group and have dinners and lunches. I used that as a focus group to extract more information. Staff that I had – they were very committed to my business. Urm, because they all had a piece of it, they all had a share in it and so they were personally interested in extracting meaningful data to help.

**Interviewer:** Ah OK, fantastic. So did you recognise any complimentary resources in international markets? Like where you were based abroad, did you get any complimentary resources from there in the form of, you know, different expertise from people of different origins?

**Respondent 8:** Yes, yes absolutely. When you are involved in an international-based business, you need that. Because, for example, when we wanted to launch our flights to Baku in Azerbaijan, urm and Uzbekistan and so on, we did not know urm how this market, we knew there was a market because we looked at the statistics but we did not know how to target this market in our marketing campaign. We needed to determine a product we had to provide, what price and so on, so we had to work with local resources to try and identify down to the ground and understand what the market is about, and what do they like. All the way down to what sort of colours they like, what colours are sending out negative signals or if they have issues with numbers, if they have issues with anything traditional so all that had to be brought in from local resources.

**Interviewer:** Ah OK, fantastic. These have been great answers so far. So what do you feel are the most important resources that affect an entrepreneur’s ability to discover an international opportunity?

**Respondent 8:** So what does it affect? Say it again.

**Interviewer:** What do you feel are the most important resources that affect one's ability to discover an international opportunity?

**Respondent 8:** Urm, well actually identifying a gap in the marketplace or identifying a need or demand, it's not easy. Urm, there's a lot of research that has to take place, you have to be in the right place at the right time, you have to network quite a lot and there is always this personal interest element that has to be there. Urm, research I would say.

**Interviewer:** Yeah, definitely. So moving onto how entrepreneurs evaluate international opportunities with regards to their resources. So what motivated you to set up this venture in the first place and did you have other employment opportunities at the time, [respondent's first name]?

**Respondent 8:** Yes, I had other employment opportunities but I spotted the gap. When I've done my analysis, I mean in the back of my mind there is demand because I know the region very, very well and I know that the...

**Interviewer:** [Problem with connection]. Hello. [Respondent's first name], I think you've. Hello.

**Respondent 8:** Hello.

**Interviewer:** I'm not sure what happened there.

**Respondent 8:** Are you still there, [interviewer's name]

**Interviewer:** Yeah, I'm not sure what happened then.

**Respondent 8:** I don't know happened there either.

**Interviewer:** Well, anyway. Yeah sorry, let's continue.

**Respondent 8:** Where were we?

**Interviewer:** We were at, so what motivated you to start up this venture.

**Respondent 8:** Ah yes, yes, yes.

**Interviewer:** So you were saying that you understood the market well. You saw the sales demand.

**Respondent 8:** Yes, and I know the current operator is not servicing the market well because I knew there is leakage to other, market leakage to other international hubs. Urm because of this lack of valuable capacity, travellers to the Lebanon and from the Lebanon – well, they're ultimate destination is to the Americas, they're unable to find seats so they end up hubbing via Paris, via Frankfurt, via Amsterdam and so on...

**Interviewer:** Ah, OK.

**Respondent 8:** SO in the back of my mind, I knew there was demand but I couldn't quantify it, so look at the country, three and half million people – size of Wales – and there are over one and half million Lebanese second and third generations living in the U.S. and about 6 million in Brazil, urm, there's half a million almost in Canada so I knew the market is big and I knew that they would prefer to transit via London because it is easier geographically, speaks English, because you know, psychologically they feel a bit uneasy with having to go to Germany, we can't speaker German or Holland, we can't speak Dutch, although everything is signposted in Dutch but it's a mental barrier for them. That's why they prefer it in the U.K., so I knew there's a market and then sat down and did my research. When I was convinced there is, not an idea, but an opportunity here I needed to find out what the new competition, who's it going to be? So I organised a meeting with British Airways, put the question to them – are you going to fly to the Lebanon? They said no – and the reason they said no and I believed it at the time was

that British Airways had lost an aircraft in Kuwait. Do you remember during the Gulf War?

**Interviewer:** Yeah.

**Respondent 8:** And so they were very, very worried about Lebanon because the civil war has just ended, but there were security issues. So then I was comforted, urm, no U.K. carrier would operate to the route. I only had to deal with an inefficient, ageing Lebanese carrier and I thought: no problem.

**Interviewer:** OK, fantastic. So were there any, urm, international opportunities at the time that you discovered i.e. other markets, other countries to fly to?

**Respondent 8:** Yes.

**Interviewer:** But you decided not to?

**Respondent 8:** Yes. I wanted, urm, I'm a great believer in testing...

**Interviewer:** Yeah.

**Respondent 8:** Before developing. So like any other new company I knew we will have teething problems. We knew there's going to be a period where other potential competitors, although they said we don't want to fly, they will observe and watch. And I couldn't really calculate, urm, the extent of their involvement later and its impact on, on us, as a start-up so although in my business plan., I have already mapped out the strategy that would lead to a franchise, that would lead to opening up other markets like Syria, Jordan, Egypt, Sudan and others, its already been there but I wanted to launch with Lebanon first; get the company up and going, get rid of the teething problems, stay below the radar of the competitors and see how they perform, what they do. If they move in, I will have a plan B and then I will operate according to the strategy. Our main strategy was have the franchise with BA and then expand in new route networks rather than my



own name, under a well-known brand. But if the likes of BA did not enter the market and left me alone, I wouldn't of had a franchise with them because there's no need.

**Interviewer:** AH OK, I see. So, how long did it take to assess this opportunity?

**Respondent 8:** About four years.

**Interviewer:** OK, so from recognising it to exploiting?

**Respondent 8:** That's right.

**Interviewer:** OK, awesome, thank you very much. So what, urm, personal resources would you say, you know, quickened or slowed this process of assessing?

**Respondent 8:** What quickened it is my determination and my perseverance. I work from the minute I wake up – for instance when I'm doing my analysis, I wake up at eight in the morning, I have a quick cup of coffee and in my pyjamas I'm there working with numbers or working with data trying to work out let's say break even [inaudible] factors, average [inaudible] factors, calculating the cost of flights and trying to find out how much, you know, the flights actually cost to operate and so on...

**Interviewer:** Ah, I see.

**Respondent 8:** But at the time I finish, I'm still in my pyjamas at nine in the evening, although I eat a sandwich here and there...

**Interviewer:** Yeah.

**Respondent 8:** So seven days a week and if I needed other information and I couldn't find it I had to use common sense trying to find the answers. For example, I wanted to know how much it really cost to maintain an aircraft and over what period of time it has to be off the production line or service line so I couldn't obtain this information form the

normal sources, the Civil Aviation Authority. So I called up airlines and I pretended I was a university student, like yourself, doing research...

**Interviewer:** Yeah.

**Respondent 8:** And I'm stuck with this particular aspect, can somebody help me? So I would call British Airways or British Midland at the time and I'd introduce myself as such and they were quite happy to help so I'd go back and carry on with my research...

**Interviewer:** Ah, fantastic.

**Respondent 8:** And what slowed it down, it's not down to me, it's down to waiting for third parties to move – to take decisions.

**Interviewer:** Yeah, definitely. So did you feel that you had much control of these international opportunities through your own resources?

**Respondent 8:** Yes, I have, yes. Because I was the main driver and the resources that were not used efficiently or I had to wait, I became more, urm, annoying to them and more persistent...

**Interviewer:** Yeah.

**Respondent 8:** To get them to move. So somebody, for instance, would say we will let you know within two days with this answer, I'd say no – today you should let me know, no it takes two days; then I'd call again and again and id get the answer and so on.

**Interviewer:** Ah OK, great. So did you feel there was much risk present and what resources reduced or increased this risk, do you think?

**Respondent 8:** There's always risk present. One of them, you mean during the development stage?

**Interviewer:** Yeah.

**Respondent 8:** Yeah the risk was all of it would've been a waste of time. Urm, let's say if my competitors would have moved or seized the opportunity and moved quicker than I did to operate the route, it would've finished.

**Interviewer:** Yeah.

**Respondent 8:** Yeah, so they didn't seize the opportunity. Urm, so I saw it and tried very, very hard to move very fast to be the first operator, British operator on the route.

**Interviewer:** Ah OK, and what risk did you think was present when you were operating it?

**Respondent 8:** When I was operating it?

**Interviewer:** Yeah.

**Respondent 8:** Well, war risk, the civil war restarting again. British airways moving in on the market and competing head on, urm other partners with British Airways joining forces, urm, to put us out of business. Urm, the fear of accidents that are uncontrollable, urm the fear maybe we had to rely on quite a few key third party service providers and, since we are not in control of their quality of service and standards, we just have to rely on the contract so that was fear that we constantly had.

**Interviewer:** Ah, OK. So did international markets daunt you in any way? Did they scare you a bit?

**Respondent 8:** No, no it actually, it made me feel, because I am a long-term thinker and I think big so when I plan something, I plan big. I don't do that for short-term. For instance, I don't do two years, or three years or even five. I think 10. The only thing I do within five years, is I provide exit possibility to stakeholders or shareholders.

**Interviewer:** OK, OK.

**Respondent 8:** But for me, its longer term. When I think of international markets I, you know, I look at – for instance, the Middle East and I thought OK, I’m not going to just fly to the Middle East, once you fly to these countries that’s it, where next? OK, then you go to central Asia, it’s opened up. You know, Soviet Union, urm, communism had collapsed, new countries emerged, they have a lot of natural resources whether its oil, precious metals or whatever so they must need services – OK, then I go – and then all of a sudden it started in the beginning with one aircraft; I could already see fifty.

**Interviewer:** Ah, I see. So were there any particular factors, [respondent’s first name], which made you maybe feel a bit incapable of exploiting this international opportunity and do you feel more capable now than before?

**Respondent 8:** I do feel more capable now than before because I’ve learnt. I’m a very keen learner., I’m always observing how others do business and how they react and particularly how they behave with other nationalities, with other cultures and how do they go around things that are not legal, for example, like briberies and so on, how do they address this issue without breaking laws? You know, I’m a very, very keen learner and I think that really helped me a great deal to move my company forward, expand to markets where other people wouldn’t even have any chance of success, urm and not only that but be able to create barriers to entry to whoever wanted to fly there using their resources.

**Interviewer:** Ah, I see. So would you say, obviously because you had so much self-belief etc., would you say the resources that might have made you feel a bit incapable were the third parties, maybe?

**Respondent 8:** Absolutely, absolutely, absolutely. There is no other. For me, it’s either a health issue which, thankfully, I did not have or third party resources.

**Interviewer:** OK, fantastic. So last question of evaluation – what do you feel are the most important resources affecting an entrepreneur’s ability to evaluate an international opportunity effectively?

**Respondent 8:** Urm, sorry say that again, what do I feel?

**Interviewer:** What do you feel are the most important resources affecting this international opportunity evaluation process?

**Respondent 8:** Urm, access to information...

**Interviewer:** So, again, research.

**Respondent 8:** Yeah, but real information.

**Interviewer:** Yeah.

**Respondent 8:** Not just published or in the press, urm, real information, real sources.

**Interviewer:** So going that one step further like you did?

**Respondent 8:** Yes.

**Interviewer:** OK, fantastic. So yeah, now we’re moving onto the last set of research questions regarding your exploitation of this international opportunity. OK, so how did you pursue it in the first place? What were the main sources and what were main sources of capital?

**Respondent 8:** Well, I had to have a plan. Urm, a plan of action really and over a timeline. First, I knew I have identified that here is demand, then I have to test that demand through focus groups and so on, then I have to assess the competition, then I have to look at the type of product that we’re going to provide. Urm, then once we’ve done all that, urm, we have the opportunity at hand and I needed to get the operational aspects, urm, ready like obtaining the airline license, the airport slots, urm, the management team and then had to

ensure that whoever came on board had the necessary skills and the ability or motivation as I have so that we could work together. Then I had to, urm, go in search of finance...

**Interviewer:** Yeah.

**Respondent 8:** And the funders; I mean this was the biggest issue. The two main, big issues were the slots and Heathrow and the funding. Urm, the slots at Heathrow I was unable to obtain. Urm, the coordinators in charge of slots allocation at Heathrow, they said well, there aren't any, we don't have any. If you want any you have to buy them...

**Interviewer:** Yeah.

**Respondent 8:** Then I asked, well how much is it per slot? A slot is one departure and one arrival per day. They said if you want to buy seven days a week, i.e. daily, you need seven slots. I said well OK, well how much is a slot? They said between £6 million and £12 million each...

**Interviewer:** Wow.

**Respondent 8:** And I only wanted to raise almost £6 million to get the airline going...

**Interviewer:** Yeah.

**Respondent 8:** And so that was one. The second one was getting the finance. Now, the downside there – Lebanon just came off of a 15 year civil war. The same as in Syria today, we had exactly the same in Lebanon, so we had 15 years of civil war and in the eyes of the British investment community and urm Europeans, the war hasn't ended, it's still there. So they were reluctant to lend money, either debt or equity or whatever because of fear of war returning again, so I had over four years of knocking on doors and making presentations and pitches and so on and then I had to change the strategy many, many times. I had to adapt to the new environment in order to secure the funding and at the end it came from business angels who have also personal interest in the region and, urm, and

the other personal interest, the airline gives them, being so wealthy, it's more a luxury show basically – I own an airline.

**Interviewer:** Ah, I see.

**Respondent 8:** [Inaudible] you know, I can own a yacht, or a Lamborghini but not everybody says I own an Arline and a British airline at that, British. Because my airline was designated as the national carrier of Great Britain to the Lebanon because in those days you couldn't fly like today. You have to have been given, under the air service agreement or the bilateral [agreement], that you are the national carrier representing this country to be able to fly to point B and the government of country point B, the government have to approve that you are the representative of that country so it's just not a company, you're a national symbol.

**Interviewer:** Ah, I see. So did you have a lack of resources at the start and, if so, did you overcome these resource constraints through internationalising, [respondent's first name]?

**Respondent 8:** Yes, I mean the resources were practically me. There was nobody else and the team that I had, for instance, were just names on the business plan who allowed me to use their names. But through internationalisation I was able to gain access to other resources of those individuals who believed in what I was doing and they were keen to help i.e. from the Lebanese government or Lebanese Aviation Authority, urm Lebanese investors who showed interest but they were restricted in investing in a British airline because, like with American airlines today, as a foreigner, you're not allowed majority shareholding or control of American airlines...

**Interviewer:** Yeah.

**Respondent 8:** Because of security and so on and so forth. We had the same so, although the international resources were there, there were constraints on how much can be used. But I did gain support from them, from internationalisation, yes.

**Interviewer:** Definitely, OK. So what would you say were the main resources that you gained through internationalising and did you pool these resources with your current ones?

**Respondent 8:** Yes, I did. Urm, the resources were access to governmental agencies...

**Interviewer:** Yeah.

**Respondent 8:** To facilitate the grants of licenses and permissions of flying rights and so on and I pooled them to the resources that I have here in order to complete the plan.

**Interviewer:** Ah, brilliant. So would you say having more time would've enabled you to exploit this opportunity more effectively?

**Respondent 8:** Urm, yes but unfortunately the fear of competitor entry to the market was ever present...

**Interviewer:** Yes.

**Respondent 8:** And that was one of the key restraints, one of the key factors in my mind that kept pushing me to exploit the resources as fast as possible and as exhaustively as possible.

**Interviewer:** Ah, I see. Yes, so this links into the next question – so did you have a first-mover or an early-mover advantage?

**Respondent 8:** From a British perspective, first-mover; from a market perspective, an early-mover.



**Interviewer:** OK, fantastic. So how novel did you find this international opportunity at the start, [respondent's first name], and how did this novelty, if there was any, how did it affect your speed of entry?

**Respondent 8:** I mean it was quite a novel idea for me...

**Interviewer:** Yeah, definitely.

**Respondent 8:** I'd never been in that industry before. Just as any entrepreneur [inaudible] opportunity to make money and to make success of it, urm, I was never daunted by the fact that I didn't have any experience because I thought, being a fast learner, I would learn quite quickly whatever needs to be learnt to manage this business. Urm, so what was the other part of the question?

**Interviewer:** It was, urm, how did this affect your speed of entry into this market?

**Respondent 8:** Urm, well, I mean honestly it did help but, I'll go back to previous questions, the main issue for me – speed-relating or time-relating is the third parties...

**Interviewer:** Yeah, definitely.

**Respondent 8:** I'm not in control of that. For instance, when I asked for the designation of the British government to designate my company as the national carrier of Britain, the then-designated carrier was British Airways and the country under the bilateral agreement, each country can have only one national carrier representing the country so I had to convince British Airways to commit to, urm, abandon their designation in favour of me – A start-up, no flying, unfunded company.

**Interviewer:** Ah, OK. So yeah, moving onto the last question of exploitation; what do you feel are the most important resources that affect this international exploitation process, [respondent's first name]?

**Respondent 8:** For example?

**Interviewer:** Urm, what do you feel are the most important resources, like yourself, do you think it was yourself that really affected this exploitation process?

**Respondent 8:** Absolutely, without a shadow of a doubt. Urm, I'm actually the key...

**Interviewer:** OK.

**Respondent 8:** I was the key. If I would have stopped or delayed or wavered, urm, or gave up half way through, it would've never taken off.

**Interviewer:** Yeah.

**Respondent 8:** Everybody said to me, from government officials to investors to family, even. Urm, that I will never ever be able to get this thing up and going...

**Interviewer:** Yeah.

**Respondent 8:** And they cited a list of reasons why this will never happen...

**Interviewer:** Yeah.

**Respondent 8:** But the sheer tenacity and belief in myself and belief in my capabilities and my passion in what I was trying to create – I knew nothing would stop me. Look at the slots at Heathrow; anyone, anyone with any common sense at the time would have said that's it, it's finished, there are no slots but I thought there must be a way and I started to experiment every week with different ways with the coordinators to see if it'll work and they'd give me slots. And anybody would've given up after three months. I kept going; six months, seven months, eight months and still going, believing one day I will find it and I did and it was just one law; one paragraph in the EEC law dot EU, EEC law, which asked the member states to help foster the breakdown of monopoly operations on

air routes and member state governments have to help alien operators, national operators to break that monopoly...

**Interviewer:** Yeah.

**Respondent 8:** So, armed with this, I went back to the coordinators and said under this law you must give me slots for free...

**Interviewer:** Yeah.

**Respondent 8:** [Inaudible] eventually they gave me daily slots at Heathrow, free of charge, each worth over £12 million.

**Interviewer:** Wow, that is absolutely brilliant.

**Respondent 8:** So when I got that, I was invincible basically. I thought nothing will stop me, so I would say without being arrogant about it, I was the key.

**Interviewer:** Yeah, that's amazing. That's a great story. Yeah, so moving onto the last few questions. This interview has been great. So what main pieces of advice would you give to aspiring entrepreneurs to perform these recognition, evaluation and exploitation processes more successfully?

**Respondent 8:** Well, I would say do a lot of research...

**Interviewer:** Yeah.

**Respondent 8:** Do a lot of testing, test the market, never understate the competition, urm keep track of time – time is key. Even wavering one or two months could mean the death of the opportunity. Urm, do a lot of what-if scenarios, always have a plan B, even if your opportunity is unique and no one is doing it in the market, always have a plan B and always know your aim. It seems to be a problem amongst entrepreneurs around the world that I come across a lot. When you ask them this question, what is your aim? I get so

many answers, many conflicting answers and never ever somebody says: this is my aim. They seem to have a problem identifying their aim and it's like, you know, you sit in a taxi and you say to the taxi: take me North. OK, the taxi will take you up North until they run out of fuel then they give you a bill, or you can say: I'm in Leeds, take me to London. Again, the taxi will drive to London, will stop at the outskirts and say there is London. Or you could say in Leeds: take me to 25 High Street, Oxford, Oxfordshire. That's your aim, what is your aim? And entrepreneurs seem to have a problem with it...

**Interviewer:** Yeah, definitely, I see.

**Respondent 8:** So yeah, this is the advice I would give.

**Interviewer:** OK, fantastic. So, [respondent's first name], how would you recommend researchers, like myself, explore this topic area more effectively?

**Respondent 8:** Urm, that's a good question really. Urm, you do both qualitative and quantitative research it I take it, correct?

**Interviewer:** Urm, I'm only doing qualitative for my dissertation.

**Respondent 8:** Qualitative?

**Interviewer:** Yeah.

**Respondent 8:** Right, OK. Urm...

**Interviewer:** So would you say qualitative mixed with quantitative would be better?

**Respondent 8:** Yes, yes. It's like having, you want to have spaghetti Bolognese – you have the pasta but you don't have the sauce.

**Interviewer:** Ah OK, brilliant. Well, thank you very much for this interview.

**Respondent 8:** You're welcome.

**Interviewer:** It's been absolutely amazing.

**Respondent 8:** Hope it helps.

**Interviewer:** Yeah, urm, do you have any urm last thoughts that you wish to share, [respondent's first name]?

**Respondent 8:** Urm no, just good luck in what you're doing and keep in touch.

**Interviewer:** Yes, most definitely. Thank you very much.

**Respondent 8:** It's fascinating what you're doing.

**Interviewer:** Yeah, yeah. It's, it's very interesting and I'll be in touch soon, [respondent's first name]. Thank you once again...

**Respondent 8:** OK.

**Interviewer:** And goodbye.

**Respondent 8:** Call, call if you need anything.

**Interviewer:** Definitely.

**Respondent 8:** All the best, Buh bye.

**Interviewer:** Bye, [respondent's first name], Bye.

**Respondent 8:** Bye.

**END OF INTERVIEW**

#### 6.4 Appendix 4 – First Cycle Coding

<b>Code Number</b>	<b>Code Meaning</b>
1	Recognition of international opportunity
2	University of Leeds
3	Top Screen Media
4	Alton Towers
5	LEGOLAND
6	Greggs
7	Sweden
8	France
9	India
10	Leeds
11	Trade mission
12	Goldman Sachs
13	Santander
14	United States
15	New York
16	Business communication

<b>17</b>	World Trade Centre
<b>18</b>	Europe
<b>19</b>	Networks
<b>20</b>	United Kingdom
<b>21</b>	London
<b>22</b>	International customers
<b>23</b>	International experience
<b>24</b>	Domestic experience
<b>25</b>	Evaluation of international opportunity
<b>26</b>	Competitor analysis
<b>27</b>	Salespeople
<b>28</b>	Focused niche market
<b>29</b>	Domestic market
<b>30</b>	International market
<b>31</b>	Pakistan
<b>32</b>	Spreading oneself thin
<b>33</b>	Product market research
<b>34</b>	Different cultures
<b>35</b>	Educational background
<b>36</b>	Understanding of international market

<b>37</b>	Ghana
<b>38</b>	Identification of market gap
<b>39</b>	Creation of solution to problem
<b>40</b>	Business models
<b>41</b>	International customer service
<b>42</b>	Local country-specific resources
<b>43</b>	Local partners and input
<b>44</b>	Strategy implementation
<b>45</b>	Due diligence
<b>46</b>	High risk international market
<b>47</b>	Low risk international market
<b>48</b>	Co-funding
<b>49</b>	Physical hardware
<b>50</b>	Automated software systems
<b>51</b>	Exporting
<b>52</b>	Duties and freight costs
<b>53</b>	Internationalisation
<b>54</b>	Resource base
<b>55</b>	Sustainable competitive advantage
<b>56</b>	Early-mover advantage



<b>57</b>	First-mover advantage
<b>58</b>	Jugular Social
<b>59</b>	Bangalore
<b>60</b>	Helsinki
<b>61</b>	Pilot or prototype trialling and experimentation
<b>62</b>	Boston
<b>63</b>	Time-frame
<b>64</b>	Personalisation
<b>65</b>	Target market
<b>66</b>	Manchester
<b>67</b>	Marketing and advertising
<b>68</b>	Training
<b>69</b>	Wales
<b>70</b>	Market adaptation
<b>71</b>	Existing opportunity
<b>72</b>	New market creation
<b>73</b>	Social networks
<b>74</b>	LinkedIn
<b>75</b>	Facebook
<b>76</b>	Twitter

<b>77</b>	Google
<b>78</b>	Databases
<b>79</b>	Online marketplace or platform
<b>80</b>	Motivation
<b>81</b>	Scalable industry
<b>82</b>	High growth / fast growing
<b>83</b>	Vision
<b>84</b>	Confidence
<b>85</b>	Outsourcing critical functions
<b>86</b>	Learning curve
<b>87</b>	High fixed costs
<b>88</b>	Venture capitalists
<b>89</b>	Business presentations and pitches
<b>90</b>	Business plan
<b>91</b>	Franchise
<b>92</b>	Building a good reputation
<b>93</b>	Manufacturing
<b>94</b>	Self-funding
<b>95</b>	Minimum viable company
<b>96</b>	Bootstrapped

<b>97</b>	Travelling abroad
<b>98</b>	Complimentary international resources
<b>99</b>	Business cycles
<b>100</b>	Mature markets
<b>101</b>	International expansion plans
<b>102</b>	Stakeholders and shareholders
<b>103</b>	Shield Therapeutics
<b>104</b>	Newcastle upon Tyne
<b>105</b>	Investment community
<b>106</b>	Core business activities
<b>107</b>	Pfizer
<b>108</b>	Development and commercialisation
<b>109</b>	Value added
<b>110</b>	Talent pool
<b>111</b>	Germany
<b>112</b>	Storytelling
<b>113</b>	Access to capital
<b>114</b>	Gut instinct
<b>115</b>	Identification of misused resources
<b>116</b>	Growing market

<b>117</b>	European Union Member states
<b>118</b>	Business meetings
<b>119</b>	Hard work
<b>120</b>	Deal
<b>121</b>	Value creation and crystallisation
<b>122</b>	Financial capital
<b>123</b>	Determination, persistence and perseverance
<b>124</b>	Desire to create something
<b>125</b>	Financial security
<b>126</b>	Common sense
<b>127</b>	Private equity
<b>128</b>	Debt
<b>129</b>	Management team
<b>130</b>	Experience in large company beforehand
<b>131</b>	Cultural intelligence and perspective
<b>132</b>	Calculated risk
<b>133</b>	Instinctive thinking and intuition
<b>134</b>	Stress testing
<b>135</b>	Acquisition
<b>136</b>	Availability of finance

<b>137</b>	Opportunity cost
<b>138</b>	Language barriers
<b>139</b>	Accumulation of resources
<b>140</b>	Ability to raise capital
<b>141</b>	Building relationships and trust
<b>142</b>	Patent lives
<b>143</b>	Intellectual property based business
<b>144</b>	Commercial life of asset
<b>145</b>	Canada
<b>146</b>	Ottawa
<b>147</b>	Ireland
<b>148</b>	Eat and Play Card Inc.
<b>149</b>	Speed of entry
<b>150</b>	Sales agency and operations
<b>151</b>	Fortitude
<b>152</b>	Belief
<b>153</b>	Unique selling point
<b>154</b>	Superior product positioning
<b>155</b>	Florida
<b>156</b>	Contract work

<b>157</b>	Las Vegas
<b>158</b>	Broad distribution
<b>159</b>	Happenstance
<b>160</b>	Orlando
<b>161</b>	Platform leveraging
<b>162</b>	Trade shows
<b>163</b>	Employee feet on the ground
<b>164</b>	Capabilities
<b>165</b>	Product launch
<b>166</b>	Channel partners
<b>167</b>	North America
<b>168</b>	Toronto
<b>169</b>	English-speaking countries
<b>170</b>	Beachhead
<b>171</b>	Industry nature
<b>172</b>	China
<b>173</b>	Spain
<b>174</b>	Portugal
<b>175</b>	South America
<b>176</b>	Brazil

<b>177</b>	Argentina
<b>178</b>	Berlin
<b>179</b>	Oxford
<b>180</b>	Berlin School of Creative Leadership
<b>181</b>	Business transformation
<b>182</b>	Upside-down thinking
<b>183</b>	Creativity and innovation
<b>184</b>	Educational resources
<b>185</b>	Content and knowledge
<b>186</b>	TEDx
<b>187</b>	Finland
<b>188</b>	Entrepreneurial spirit
<b>189</b>	Intellectual capital
<b>190</b>	Netherlands
<b>191</b>	Rio de Janeiro
<b>192</b>	Social capital
<b>193</b>	Connections
<b>194</b>	Upside-down and sideways thinking
<b>195</b>	Deep expertise
<b>196</b>	Alertness to international opportunities

<b>197</b>	Restless pursuit of international opportunities
<b>198</b>	Offers and proposals
<b>199</b>	Authenticity
<b>200</b>	Liverpool
<b>201</b>	Kidde Thorn Fire Protection
<b>202</b>	Ardent DAB Engineering Co Ltd
<b>203</b>	Stability and uncertainty
<b>204</b>	Foreign and Commonwealth Office
<b>205</b>	Africa
<b>206</b>	Tanzania
<b>207</b>	Mali
<b>208</b>	Algeria
<b>209</b>	Synergies
<b>210</b>	Learning-by-doing
<b>211</b>	Volkswagen
<b>212</b>	Toyota
<b>213</b>	Market overlaps
<b>214</b>	Break-even point
<b>215</b>	Australia
<b>216</b>	Perth



<b>217</b>	Systemic and holistic view or approach
<b>218</b>	Department of Trade and Industry
<b>219</b>	Specialist machinery, equipment and tools
<b>220</b>	Commodity market and prices
<b>221</b>	Turkey
<b>222</b>	Political risk
<b>223</b>	Economic risk
<b>224</b>	Queen's Award for export
<b>225</b>	Recruitment
<b>226</b>	Face-to-face with partner or customer
<b>227</b>	Scandinavia
<b>228</b>	Tenacity
<b>229</b>	Cardiff
<b>230</b>	Monster Group U.K.
<b>231</b>	York
<b>232</b>	North Lincolnshire
<b>233</b>	Amazon
<b>234</b>	United Kingdom Trade and Investment
<b>235</b>	Cdiscount
<b>236</b>	Allegro

<b>237</b>	Poland
<b>238</b>	Italy
<b>239</b>	Translators
<b>240</b>	Risk mitigation
<b>241</b>	Return on investment
<b>242</b>	Attractiveness of international opportunity
<b>243</b>	International service hubs
<b>244</b>	Fivver.com
<b>245</b>	Quality control
<b>246</b>	Lingo
<b>247</b>	eBay
<b>248</b>	Tamebay
<b>249</b>	Exchange rates
<b>250</b>	British Mediterranean
<b>251</b>	Lebanon
<b>252</b>	Service industry
<b>253</b>	Main office
<b>254</b>	Syria
<b>255</b>	Jordan
<b>256</b>	Egypt

<b>257</b>	Sudan
<b>258</b>	Iran
<b>259</b>	International representative
<b>260</b>	Damascus
<b>261</b>	British Airways
<b>262</b>	Queen's Award for Enterprise
<b>263</b>	Aleppo
<b>264</b>	Baku
<b>265</b>	Azerbaijan
<b>266</b>	Uzbekistan
<b>267</b>	Paris
<b>268</b>	Frankfurt
<b>269</b>	Amsterdam
<b>270</b>	Commitment
<b>271</b>	Personal interest and passion
<b>272</b>	EasyJet
<b>273</b>	Virgin Media
<b>274</b>	Virgin Galactic
<b>275</b>	Meaningful information and data
<b>276</b>	Local resources

<b>277</b>	Uncontrollable risk
<b>278</b>	Kuwait
<b>279</b>	Long-term planning
<b>280</b>	Short-term planning
<b>281</b>	Middle East
<b>282</b>	Central Asia
<b>283</b>	Soviet Union
<b>284</b>	Natural country-specific resources
<b>285</b>	Barriers to entry
<b>286</b>	Business angels
<b>287</b>	Hurried international opportunity exploitation
<b>288</b>	Higher capable than before
<b>289</b>	Delayed international opportunity exploitation
<b>290</b>	Access to governmental resources

## 6.5 Appendix 5 – Second Cycle Coding

### Countries, Cities and Regions

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Sweden

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France

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Europe

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United Kingdom

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North America

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United States

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India

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Leeds

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New York

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London

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Pakistan

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Ghana

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Boston

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Helsinki

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Bangalore

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Wales

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Manchester

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---

Newcastle upon Tyne

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Germany

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Canada

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Florida

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Ottawa

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Ireland

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Orlando

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Las Vegas

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Toronto

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China

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Spain

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Portugal

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South America

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Brazil

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Argentina

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Berlin

---

Oxford

---

Finland

---

Netherlands

---

Rio de Janeiro

---

---

Liverpool

---

Africa

---

Tanzania

---

Australia

---

Scandinavia

---

Mali

---

Perth

---

Algeria

---

Cardiff

---

York

---

North Lincolnshire

---

Poland

---

Italy

---

Lebanon

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Syria

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Jordan

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Egypt

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Sudan

---

Iran

---

Damascus

---

---

Aleppo

---

Azerbaijan

---

Baku

---

Uzbekistan

---

Turkey

---

Paris

---

Frankfurt

---

Amsterdam

---

Americas

---

Kuwait

---

Middle East

---

Central Asia

---

Soviet Union

---

### **Organisations**

---

University of Leeds

---

World Trade Centre

---

Alton Towers

---

LEGOLAND

---

Greggs

---



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Goldman Sachs

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Santander

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Top Screen Media

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Jugular Social

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LinkedIn

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Facebook

---

Twitter

---

Google

---

Shield Therapeutics

---

Pfizer

---

Berlin School of Creative Leadership

---

TEDx

---

Department of Trade and Industry

---

Kidde Thorn Fire Protection

---

Ardent DAB Engineering Co Ltd

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Eat and Play Card Inc

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Foreign and Commonwealth Office

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Volkswagen

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Toyota

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Monster Group U.K.

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Amazon

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United Kingdom Trade and Investment

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Cdiscount

---

Allegro

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Lingo

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Fivver.com

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eBay

---

Tamebay

---

British Mediterranean Airways

---

British Airways

---

EasyJet

---

Virgin Media

---

Virgin Galactic

---

### **International Opportunity Recognition**

---

Recognition of international opportunity

---

Trade mission

---

Business communication

---

International customers

---

International market

---

---

Identification of market gap

---

Personalisation

---

Target market

---

Existing opportunity

---

New market creation

---

Social networks

---

Databases

---

Online marketplace or platform

---

Vision

---

Travelling abroad

---

Complimentary international resources

---

International expansion plans

---

Identification of misused resources

---

Business meetings

---

Deal

---

Desire to create something

---

Experience in large company beforehand

---

Instinctive thinking and intuition

---

Acquisition

---

Gut instinct

---

---

Happenstance

---

Alertness to international opportunities

---

Offers and proposals

---

Personal interest and passion

---

Educational background

---

Restless pursuit of international opportunities

---

### **International Opportunity Evaluation**

---

Evaluation of international opportunity

---

Competitor analysis

---

Product market research

---

Understanding of international market

---

Due diligence

---

Scalable industry

---

High growth / fast growing

---

Confidence

---

Bootstrapped

---

Duties and freight costs

---

Time-frame

---

Mature markets

---

---

Growing market

---

Financial security

---

Calculated risk

---

Stress testing

---

Opportunity cost

---

Belief

---

Deep expertise

---

Motivation

---

European Union Member states

---

English-speaking countries

---

Break-even point

---

Political risk

---

Economic risk

---

Risk mitigation

---

Uncontrollable risk

---

Barriers to entry

---

Hurried international opportunity exploitation

---

Higher capable than before

---

Delayed international opportunity exploitation

---

Stability and uncertainty

---

---

Attractiveness of international opportunity

---

Meaningful information and data

---

High risk international market

---

Low risk international market

---

### **International Opportunity Exploitation**

---

Focused niche market

---

Domestic market

---

Spreading oneself thin

---

Creation of solution to problem

---

Business models

---

International customer service

---

Strategy implementation

---

Exporting

---

Internationalisation

---

Resource base

---

Early-mover advantage

---

First-mover advantage

---

Pilot or prototype trialling and experimentation

---

Training

---

---

Market adaptation

---

Sustainable competitive advantage

---

Marketing and advertising

---

Outsourcing critical functions

---

Learning curve

---

Business presentations and pitches

---

Business plan

---

Franchise

---

Building a good reputation

---

Minimum viable company

---

Business cycles

---

Core business activities

---

Development and commercialisation

---

Value added

---

Value creation and crystallisation

---

Building relationships and trust

---

Patent lives

---

Intellectual property based business

---

Commercial life of asset

---

Accumulation of resources

---

---

Capabilities

---

Industry nature

---

Market overlaps

---

Synergies

---

Queen's Award for Export

---

Quality control

---

International service hubs

---

Return on investment

---

Long-term planning

---

Short-term planning

---

Manufacturing industry

---

Service industry

---

Queen's Award for Enterprise

---

Product launch

---

Beachhead

---

Speed of entry

---

Unique selling point

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Business transformation

---

Creativity and innovation

---

Recruitment

---



## Personal Capital Resources

---

International experience

---

Domestic experience

---

Co-funding

---

Self-funding

---

Hard work

---

Determination, persistence and perseverance

---

Common sense

---

Cultural intelligence and perspective

---

Ability to raise capital

---

Fortitude

---

Storytelling

---

Access to capital

---

Financial capital

---

Private equity

---

Debt

---

Entrepreneurial spirit

---

Intellectual capital

---

Upside-down and sideways thinking

---

---

Authenticity

---

Learning-by-doing

---

Systemic and holistic view or approach

---

Face-to-face with partner or customer

---

Tenacity

---

Commitment

---

### **Organisational Capital Resources**

---

Salespeople

---

Physical hardware

---

Automated software systems

---

Management team

---

Availability of finance

---

Sales agency and operations

---

Superior product positioning

---

Broad distribution

---

Platform leveraging

---

Employee feet on the ground

---

Specialist machinery, equipment and tools

---

Main office

---

### **Third Party and Social Capital Resources**

---

Networks

---

Local country-specific resources

---

Local partners and input

---

Venture capitalists

---

Stakeholders and shareholders

---

Investment community

---

Talent pool

---

Contract work

---

Trade shows

---

Channel partners

---

Social capital

---

Connections

---

International representative

---

Local resources

---

Natural country-specific resources

---

Business angels

---

Educational resources

---

Translators

---

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Access to governmental resources

---

### **Other Factors**

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Different cultures

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High fixed costs

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Language barriers

---

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Content and knowledge

---

---

Commodity market and prices

---

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Exchange rates

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